WR 8-86

World Production and Trade

United States Department of Agriculture

Foreign Agricultural Service

Washington, D.C. 20250

Weekly Roundup
WR 8-86

Feb. 26, 1986

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

GRAIN AND FEED

Spain Stockpiles U.S. Corn. Spanish purchases of U.S. corn during October 1985-January 1986 were nearly double the same period a year earlier as traders stockpiled grain in anticipation of the higher European Community (EC) import levy which will be implemented on March 1. The levy, part of Spain's accession into the EC, will increase the price of imported corn and likely result in a sharp decline in corn imports from non-EC sources such as the United States. Spain is an important U.S. corn customer, importing an average of 3.5 million metric tons per year, or about 8 percent of all U.S. corn exports. In 1985/86, however, Spain is expected to import only about half of this amount, 1.8 million tons, the lowest level in nearly 15 years.

OILSEEDS AND PRODUCTS

Korea May Adjust Soybean Meal Import Quota Upward. The U.S. agricultural attache in Seoul estimates that of the 100,000-ton soybean meal import quota the Korean government has set for 1986, 40,000 tons will come from the United States. USDA estimates that none of the 130,000 tons Korea imported in 1985 were of U.S. origin. There could possibly be an upward adjustment of the 1986 soybean meal import quota if the government feels local crushers are taking advantage of their partially protected position in pricing soybean meal to domestic users. However, a more likely expression of pent-up demand for protein meals would be an increase in imports of oilseed meals other than soybean meal, whose importation was theoretically liberalized in mid-1985.

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Sweden's Rapeseed Output To Be Down. Rapeseed production in Sweden for 1985/86 is estimated at 320,000 tons, down 7,000 tons from 1984/85, according to the U.S. agricultural attache in Stockholm. The production of double-zero rapeseed (low in erucic acid and glucosinolate content) is estimated at 72,000 tons, but because of harvest methods and limited storage facilities only 58,000 tons were kept separate from single-zero seed. If the two varieties of rapeseed can be separated in 1986/87, production of double-zero rapeseed could be double last year's production. Production of double-zero rapeseed in 1986/87 is forecast at 110,000 tons from 65,000 hectares.

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Colombia's Oil Palm Area Has Increased. African oil palm area in Colombia for 1985 is estimated at 65,452 hectares, up nearly 15 percent from 1984, according to the U.S. agricultural attache in Bogota. Less than 42,000 hectares are considered productive since many recently planted trees have not yet reached productive age. Almost one-half of the new areas are in the Eastern Plains, where oil palm area reached 11,652 hectares in 1985, up 40 percent from 1984. In 1986, total production of palm oil is forecast at 131,000 tons, up from 120,000 tons produced in 1985.

DAIRY, LIVESTOCK AND POULTRY

January Livestock Output Up in the Soviet Union. Livestock output on state and collective farms in the Soviet Union was up sharply in January, according to the U.S. agricultural attache in Moscow. Compared with January 1985, meat production was up 15 percent, with beef up 13 percent, pork up 16 percent and poultry meat production up 20 percent. Further evidence of favorable conditions include a gain of 9 percent in milk production, with output per cow up 7 percent. Similarly, output of eggs was up 7 percent with output per hen up about 5 percent.

Compared to a year earlier, livestock inventories on state and collective farms as of February 1 were mixed. Poultry numbers increased by 18 million to 740.2 million and hog numbers were up by 0.3 million head to 58.9 million. At 94.1 million head, total cattle numbers had dropped by 0.4 million--all in the cow herd. Sheep and goats were down by 1.6 million head to 115.7 million.

The increased productivity of the livestock sector resulted from generally favorable feed supplies as the forage harvest last year was a record. Supplies of grain available for feed use are estimated to equal last year's level. Furthermore, it appears slaughter was limited in December 1985, allowing more and heavier animals to be slaughtered during January 1986.

Selected International Prices

Item	Feb. 25, 1986		Change from a week ago	A year ago
ROTTERDAM PRICES 1/	$ per MT	$ per bu.	$ per MT	$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	184.50
U.S. No. 2 DNS/NS: 14%....	174.50	4.75	+.50	180.00
U.S. No. 2 S.R.W.	153.00	4.16	-.50	157.50
U.S. No. 3 H.A.D.....10/	161.00	4.38	0	179.50
Canadian No. 1 A: Durum...	N.Q.	--	--	193.00
Feed grains:				
U.S. No. 3 Yellow Corn....	116.00	2.95	-.50	130.50
Soybeans and meal:				
U.S. No. 2 Yellow.....	215.90	5.88	-.50	232.00
Brazil 47/48% SoyaPellets	194.00	--	-2.00	143.00
U.S. 44% Soybean Meal....	186.00	--	-1.00	139.00
U.S. FARM PRICES 3/				
Wheat.....	112.42	3.06	-.73	123.08
Barley.....	N.Q.	N.Q.	N.Q.	81.30
Corn.....	90.55	2.30	+.79	101.18
Sorghum.....	78.04	3.54 2/	-.22	93.03
Broilers.....	1095.47	--	+17.42	1103.18
EC IMPORT LEVIES				
Wheat 5/.....	150.15	4.08	+4.90	42.30
Barley.....	140.75	3.06	+5.25	45.20
Corn.....	131.65	3.34	+7.20	42.35
Sorghum.....	128.00	3.25	+4.65	43.35
Broilers 4/ 6/ 8/.....	312.00	--	+9.00	144.00
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	186.90	5.09	+5.00	131.90
Bread wheat (min. quality)	198.80	5.41	+5.35	140.35
Barley and all other feed grains.....	186.90	--	+5.00	131.90
Broilers 4/ 6/.....	1348.00	--	+47.00	978.00
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	N.A.	N.A.	--	12.60
Barley.....	N.A.	N.A.	--	26.60
Broilers 4/ 6/ 8/.....	227.00	--	+6.00	85.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ April/May price. N.A.=None authorized. N.Q.=Not quoted. Note: Basis March delivery.

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WR 9-86

World Production and Trade

United States Department of Agriculture
Foreign Agricultural Service
Washington, D.C. 20250

Weekly Roundup
WR 9-86
March 5, 1986

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

GRAIN AND FEED

Mexico Buys Argentine Corn. A recent Mexican purchase of 500,000 tons of Argentine corn will likely mean the displacement of some U.S. corn exports to Mexico and/or a possible expansion in total Mexican corn utilization. Mexico has historically purchased virtually all U.S. corn, buying between 1-4 million tons per year. In 1984/85, however, Mexico bought small amounts of Argentine corn. This year, Argentina's near-record corn harvest has resulted in significantly higher exportable supplies and very competitive prices. Mexico was previously expected to import 3 million tons of corn in 1985/86 (October-September), mostly of U.S. origin.

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U.S. Corn Exports to Japan Could Decline. Large availabilities of inexpensive, good-quality Argentine and South African corn may contribute to a possible decline in Japanese purchases of U.S. corn. Recent reports from the U.S. agricultural counselor in Tokyo indicate Japanese imports of U.S. corn may slip from the 1984/85 (October-September) level of 11.4 million tons to 9.6 million tons in 1985/86. South Africa, in anticipation of a more normal 1986 crop, following three years of drought-impacted harvests, has offered Japan 2 million tons of corn, more than four times the 1984/85 level. Argentina is harvesting a near-record to record crop and these large availabilities may result in as much as a million tons of corn exports to Japan. The increased competition from South Africa and Argentina will add to already intense competition from China, likely reducing U.S. exports to this very important Asian market.

OILSEEDS AND PRODUCTS

Argentina Announces Intent To Lower Export Taxes. On February 17, Argentina's Secretary of Agriculture announced a series of measures aimed at improving the country's agricultural situation. One measure was the immediate reduction or elimination of export taxes on a series of agricultural products. Soybean and sunflowerseed export taxes, which now stand at 34.0 and 28.5 percent, respectively, were not reduced. However, it has been announced that they will be reduced to 15 percent beginning with the 1987 crop.

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Several farm groups complained that the soybean and sunflowerseed export taxes had not been reduced at this time, although there is speculation that the soybean export tax might be changed prior to the April harvest. This measure did not mention export taxes on oilseed products. If the taxes on products are not reduced, then the differential would make exports of soybeans and sunflowerseed more attractive than the export of products. The early announcement of these measures should enhance Argentine competitiveness in world markets as farmers can better formulate their planting decisions.

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Indonesia Imports U.S. Soybean Meal. BULOG, the Indonesian government agency responsible for imports of agricultural products, has only been able to import 1,900 tons of soybean meal from China since the end of October. It planned to take delivery of more but was unable to do so because of Chinese shipping problems. BULOG sources suggested that Chinese crushers found it more profitable to export soybeans rather than soybean meal because of low prices of soybean oil. As a result of the current shortage of soybean meal in Indonesia, BULOG has ordered 20,000 tons of U.S. soybean meal for delivery in February 1986. These are the first imports of U.S. soybean meal since January 1985. USDA is currently forecasting 1985/86 soybean meal imports by Indonesia at 185,000 tons.

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Malaysia Imports U.S. Soybeans for First Time in 18 Months. More competitive U.S. soybean prices and unreliable Chinese shipments resulted in Malaysia's first purchase of U.S. soybeans in 18 months, according to the U.S. agricultural attache in Kuala Lumpur. The quantity purchased was 10,000 tons, for immediate shipment. For the last quarter of 1985, Malaysian buyers could only obtain half of their contracted supplies from Chinese sources. The current USDA estimate of Malaysia's soybean imports during 1985/86 is 190,000 tons.

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Romania To Import Fewer Soybeans. The U.S. agricultural counselor in Belgrade, who has responsibility for Romania, has lowered his forecast for 1985/86 Romanian soybean imports to 200,000 tons from 350,000 tons. About 100,000 tons is expected to come from the United States. Romania will need to import at least 200,000 tons to keep crushing plants working. However, actual imports could be less due to government curbs on imports to save hard currency outlays. Romania imported 209,000 tons of soybeans in 1984/85, with over 50 percent of the total coming from the United States. Trade sources report that some U.S. soybean meal may be imported by Romania. USDA forecasts Romanian soybean meal imports at 150,000 tons.

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DAIRY, LIVESTOCK AND POULTRY

EC Commission Operating Secret System of Fixing Dairy Export Subsidies. The European Community Commission on February 13 instituted a system of granting export subsidies on certain dairy products on a confidential basis and will not publish the rates in its official journal. This system will have little impact on commercial exports of U.S. dairy products but will likely affect the Commodity Credit Corporation export sales program.

FRUITS

Tunisia Harvests Record Citrus Crop. Tunisia's 1985/86 citrus production is estimated at 252,000 tons, up 29 percent from last season's harvest, according to the U.S. agricultural trade officer in Tunis. The increase in production is attributed to more plentiful rainfall earlier this season and to a newly completed irrigation canal project. Citrus production estimates are as follows, in 1,000 tons.

Fruit Type	1983/84	Preliminary 1984/85	Estimated 1985/86
Oranges	129	122	157
Tangerines	38	28	36
Lemons	24	20	26
Others	29	26	33
TOTAL	220	196	252

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Selected International Prices

Item	March 4, 1986		Change from a week ago	A year ago
ROTTERDAM PRICES 1/	$ per MT	$ per bu.	$ per MT	$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	180.50
U.S. No. 2 DNS/NS: 14%....	176.50	4.80	+2.00	180.00
U.S. No. 2 S.R.W. 11/	120.00	3.27	-33.00	158.00
U.S. No. 3 H.A.D.....10/	160.00	4.35	-1.00	178.50
Canadian No. 1 A: Durum...	N.Q.	--	--	189.50
Feed grains:				
U.S. No. 3 Yellow Corn....	109.50	2.78	-6.50	133.00
Soybeans and meal:				
U.S. No. 2 Yellow.....	216.90	5.90	+1.00	233.00
Brazil 47/48% SoyaPellets	202.00	--	+8.00	153.50
U.S. 44% Soybean Meal....	191.00	--	+5.00	147.50
U.S. FARM PRICES 3/				
Wheat.....	114.63	3.12	+2.20	121.98
Barley.....	N.Q.	N.Q.	N.Q.	75.33
Corn.....	87.80	2.23	-2.76	103.15
Sorghum.....	78.26	3.55 2/	+.22	91.93
Broilers.....	1122.36	--	+26.90	1109.80
EC IMPORT LEVIES				
Wheat 5/.....	156.95	4.27	+6.80	45.40
Barley.....	150.30	3.27	+9.55	48.10
Corn.....	145.10	3.68	+13.45	44.95
Sorghum.....	140.35	3.56	+12.35	59.60
Broilers 4/ 6/ 8/.....	318.00	--	+6.00	145.00
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	190.85	5.19	+3.55	132.20
Bread wheat (min. quality)	203.00	5.52	+4.20	140.65
Barley and all other feed grains.....	190.85	--	+3.55	132.20
Broilers 4/ 6/.....	1445.00	--	+97.00	991.00
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	N.A.	N.A.	--	14.70
Barley.....	107.50	2.34	--	27.75
Broilers 4/ 6/ 8/.....	232.00	--	+5.00	86.00

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WR 10-86

World Production and Trade

United States Department of Agriculture

Foreign Agricultural Service

Washington, D.C. 20250

Weekly Roundup

WR 10-86

March 13, 198

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade:

GRAIN AND FEED

Larger Tunisian Imports Likely To Result in Increased U.S. Wheat Sales. The United States could make additional grain sales, particularly of wheat, to Tunisia due to a severe drought that is threatening production of grains to be harvested in May and June, according to the U.S. agricultural trade officer in Tunis. Tunisia's wheat imports in 1986/87 (July-June) could climb as high as 1.2 million metric tons, almost triple estimated wheat imports for 1985/86. Corn and barley imports also are expected to increase. The United States traditionally supplies roughly half of Tunisia's 750,000-ton average annual wheat import requirement. Depending on the severity and duration of the drought, U.S. wheat exports to Tunisia in 1986/87 could be much higher.

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APR 8 1986

Canada and Iraq Sign New Wheat Agreement. Canada and Iraq have signed a new wheat agreement designed to make Canadian bread-quality wheat more attractive in the Iraqi wheat market. The new agreement calls for 500,000 tons of wheat trade a year with three-year credit terms, versus the old agreement for 400,000 a year on two-year credit. Canadian wheat exports to Iraq have averaged about 600,000 tons a year in recent years. Australia also has a agreement with Iraq that requires a total of at least 6 million tons of wheat trade over the next five years with not less than 800,000 tons in any given year. During the past few years, the United States has supplied the remaining third of the 2.6 million tons of wheat Iraq imports annually.

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Philippines Imports Australian Feed Wheat, May Resume Corn Imports. In a break from the previous administration's prohibition on imports of corn and feed wheat, the U.S. agricultural counselor in Manila reports that the new government apparently has approved an application to import 25,000 tons of Australian feed wheat. Despite chronic feed shortages, feed grain imports had been prohibited by the previous administration in order to encourage domestic corn production. If the decision marks a permanent shift in import policy, it could provide opportunities for U.S. corn sales. Recent reports estimate that the Philippines could import at least 50,000 tons of corn by July 1986. Prior to 1984, the United States supplied about 70 percent of the Philippines' average annual corn import requirements of 300,000 tons.

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OILSEEDS AND PRODUCTS

Malaysia's Palm Oil Production Headed for New Record High. Palm oil production in Malaysia for 1985/86 is forcast at a record 4.5 million tons, according to the U.S. agricultural attache in Kuala Lumpur. Production through the first four months of the October-September (1985/86) year was 1.8 million tons, up 427,000 tons or 30 percent from the same time period in 1984/85. Palm oil production for 1986/87 is forecast at 4.8 million tons. The increase for next season is based on an expected additional 60,000-70,000 hectares of oil palms which will reach productive age. Average yields are forecast to increase to 4.8 tons per hectare from the low of 4.2 tons per hectare in 1983 when yield was severely affected by drought.

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India's Vegetable Oil Import Forecasts Lowered. Reductions in the amount of imported vegetable oils permitted in vanaspati suggest India will import only 640,000 tons of palm oil, 250,000 tons of soybean oil and 175,000 tons of rapeseed oil in 1985/86, according to the U.S. agricultural counselor in New Delhi. In total, this is 210,000 tons lower than the previous forecast. Currently, vanaspati can contain only 30 percent of imported vegetable oils.

DAIRY, LIVESTOCK AND POULTRY

Summaries of World Poultry and Egg Production and World Livestock Numbers and Red Meat Production scheduled for release today have been postponed until March 12.

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Yugoslavia's Poultry Output Edges Down. Poultry meat production in Yugoslavia during 1985 is estimated at 305,000 tons, down 2 percent from 1984, according to the U.S. agricultural counselor in Belgrade. Production in 1986 is expected to decline again. Production is off because of high prices for domestic corn, the need to import high protein feeds and a lack of bouyancy in the export market.

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Brazil's Broiler Output Up; Exports Down. Brazil's broiler production for 1985 is estimated at 1.49 million tons, nearly 10 percent above a year earlier, according to the U.S. agricultural counselor in Brasilia. Output rose as a result of stronger demand due to higher real wages for Brazilian workers and to higher prices for competitive meats. Exports were reported to have declined in 1985 due largely to competition from France.

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COTTON

U.S. Cotton Exports Stall. U.S. monthly cotton exports continue to defy normal trends, falling to 187,000 bales in January, the smallest monthly level in recent years. January exports totaled 811,000 bales last season and averaged 646,000 during 1980-84. Japan and South Korea were the principal destinations for U.S. cotton exports. U.S. exports are expected to improve during the 1986/87 season when the new farm legislation allows U.S. cotton to become price competitive in world markets.

TOBACCO

Hong Kong Raises Duty on Tobacco Imports. Hong Kong recently raised import duties on a number of products, including unmanufactured tobacco and bulk manufactured tobacco, according to the U.S. agricultural office there. For these tobacco products, the import duty was raised from HK$170 per kilogram (US$21.79) to HK$190 per kilogram (US$24.36). As a result, prices for locally produced cigarette brands may go up approximately HK$0.30 (US$0.04) per pack. The duty increase should not have a substantial effect on U.S. unmanufactured tobacco exports, which have been increasing steadily over the past five years, rising to $30.5 million in 1985.

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Japan Sees Introduction of Several "Light" Cigarettes. Following a three-month test in Japan, a major U.S. cigarette manufacturer has announced it will begin nationwide distribution of a "light" cigarette beginning April 1. The U.S. manufacturer will be facing strong competition from Japan's cigarette company, Japan Tobacco Industry (JTI). JTI has countered with the introduction of "light" versions of their very popular "Peace" and "Seven Star" brands. When sales begin nationwide, the U.S. brand may face distribution obstacles as JTI salesmen pressure retailers to sell "Peace Lights" since JTI remains the sole source of Japan's most popular brands.

SUGAR

Dominican Republic's Sugar Production Declines. The Dominican Republic's sugar production for the 1985/86 season is forecast at 800,000 tons, according to the U.S. agricultural attache in Santo Domingo. The revised forecast is 18 percent less than last season and 9 percent less than the forecast last November of 875,000 tons. Labor and financial problems and the late start of the harvest are the reasons for the reduction.

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Washington, D.C. 20250

Selected International Prices

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ROTTERDAM PRICES 1/	$ per MT	$ per bu.	$ per MT	$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	182.00
U.S. No. 2 DNS/NS: 14%.10/	160.50	4.37	-16.00	165.00
U.S. No. 2 S.R.W. 11/	119.00	3.24	-1.00	159.00
U.S. No. 3 H.A.D.....10/	159.00	4.33	-1.00	176.50
Canadian No. 1 A: Durum...	N.Q.	--	--	189.00
Feed grains:				
U.S. No. 3 Yellow Corn....	111.50	2.83	+2.00	133.00
Soybeans and meal:				
U.S. No. 2 Yellow.....	218.20	5.94	+1.30	238.75
Brazil 47/48% SoyaPellets	200.00	--	-2.00	149.70
U.S. 44% Soybean Meal....	194.00	--	+3.00	152.00
U.S. FARM PRICES 3/				
Wheat.....	114.63	3.12	0	123.45
Barley.....	N.Q.	N.Q.	N.Q.	77.62
Corn.....	88.58	2.25	+.79	104.72
Sorghum.....	78.70	3.57 2/	+.44	93.70
Broilers.....	1121.48	--	-.88	1141.54
EC IMPORT LEVIES				
Wheat 5/.....	157.40	4.28	+.45	43.65
Barley.....	147.05	3.20	-3.25	46.65
Corn.....	141.60	3.60	-3.50	43.30
Sorghum.....	149.55	3.80	+9.20	55.25
Broilers 4/ 6/ 8/.....	312.00	--	-6.00	146.00
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	190.15	5.17	-.70	134.65
Bread wheat (min. quality)	202.05	5.50	-.95	143.10
Barley and all other feed grains.....	190.15	--	-.70	134.65
Broilers 4/ 6/.....	1382.00	--	-63.00	973.00
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	N.A.	N.A.	--	14.35
Barley.....	N.A.	N.A.	--	27.10
Broilers 4/ 6/ 8/.....	228.00	--	-4.00	86.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ April/May shipment. 11/ June shipment. N.A.=None authorized. N.Q.=Not quoted. Note: Basis April delivery.

WR 11-86

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United States Department of Agriculture
Foreign Agricultural Service
Washington, D.C. 20250

Weekly Roundup
WR 11-86
March 19, 1986

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade:

GRAIN AND FEED

Australia's Wheat Support Price Higher Than Expected. The Australian Wheat Board (AWB) has set the 1985/86 guaranteed minimum price for Standard White wheat at A$149.87 per ton (US$105). Given currently declining wheat prices and the 27-percent decrease in the 1986 U.S. wheat loan rate, the Australian minimum price is higher than had been expected. In U.S. dollar terms, the new price represents about a 3-percent decline from last year's level of US$108 per ton. In Australian dollars, the new guaranteed minimum price is A$3 per ton higher than the preliminary guaranteed minimum price announced in August and about A$4 per ton higher than the 1984 minimum price. The U.S. agricultural counselor in Canberra reports that the higher guaranteed price is the result of larger than anticipated wheat export sales and returns, and lower than expected marketing costs.

The AWB finalized this year's price several months later than usual. Possibly this was due to the uncertainty regarding the size and quality of the Australian crop, but more likely it was the result of the uncertainties surrounding the impact of recent U.S. agricultural legislation on the world wheat market.

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United Arab Emirates To Try U.S. Wheat. The United States could capture a share of the United Arab Emirates' (UAE) wheat market if upcoming trials on U.S. wheat are successful, according to the U.S. agricultural trade officer in Manama. Following several years of market development efforts by U.S. Wheat Associates and the Foreign Agricultural Service, flour mills in Dubai and Abu Dhabi have agreed to run milling and baking trials on U.S. western white and hard red wheats. Until now, the two privately owned mills have imported Australian wheat exclusively to fulfill the UAE's average annual wheat import requirement of 60,000 tons. Price, and especially freight rates, will be other critical factors in the mills' decision to switch to U.S. wheat.

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GERALDINE SCHUMACHER, Editor, Tel (202) 447-7115. Additional copies may be obtained from FAS Information Division, Room 5922 South Building, U.S. Department of Agriculture, Washington, D.C. 20250. Tel (202) 447-7937.

A67.42:

U.S. Wheat Exports to Nigeria May Decline. U.S. wheat exports to Nigeria could drop by as much as 25 percent in calendar year 1986 due to Nigeria's falling oil revenues, according to the U.S. agricultural attache in Lagos. In an attempt to reduce its agricultural import expenditures and conserve foreign exchange, the government of Nigeria is reassessing its grain import requirements and, to date, has not issued any import licenses for 1986. Even when import licenses are issued, U.S. wheat sales to Nigeria will continue to face stiff competition from Canadian and Argentine wheat, at least until the new U.S. wheat crop becomes available. Prior to the 1985/86 season, the United States had supplied about 90 percent of Nigeria's average annual wheat imports of 1.6 million metric tons.

OILSEEDS

Argentina Changes Export Taxes. Argentina has announced it will reduce its export taxes for soybeans, sunflowerseeds and their products. According to the U.S. agricultural counselor in Buenos Aires, the new export tax percentage rates (and the previous rates in parentheses) are: soybeans, 28.5 (34.0); soybean meal 16.5 (20.5); soybean oil, 16.5 (20.5); sunflowerseed, 25.5 (28.5); sunflowerseed meal, 21.5 (23.5); and sunflowerseed oil, 16.5 (18.5). The new rates will narrow slightly the differential in taxes between oilseeds and their respective products.

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Philippines To Liberalize Imports Under NFA Jurisdiction. The Philippines' National Food Authority (NFA) reportedly will no longer require private importers to have prior approval permits, according to the U.S. agricultural counselor in Manila. This could mean an increase in soybean meal imports, as demand has generally exceeded availabilities. U.S. meal exports to the Philippines are running behind a year ago, but reduced competition from China could boost U.S. prospects for the remainder of the year. USDA currently estimates 1985/86 soybean meal imports by the Philippines at 350,000 tons.

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Tunisia To Build Soybean Crushing Plant. A private Tunisian company, along with a multinational company and Kuwaiti interests, are planning to build a soybean crushing plant in the country, according to the U.S. agricultural trade officer in Tunis. The plant will become operational two years after construction begins, and crush 300,000 tons of imported soybeans annually. The plant will export meal and oil production in excess of Tunisia's needs.

TOBACCO

China's Tobacco Crop Headed for All-Time High. China's 1985/86 unmanufactured tobacco crop is estimated at a record-large 2,311,304 tons, according to the U.S. agricultural counselor in Beijing. The latest estimate is 11,304 tons above the previous forecast in December largely because of an upward revision in total harvested area. The biggest increase was in flue-cured tobacco which represents 90 percent of the Chinese crop.

COCOA

Ecuador's Cocoa Production Down From Last Season. The forecast for 1985/86 cocoa production in Ecuador has been revised downward to 85,000 tons, according to the U.S. agricultural attache in Quito. The forecast is 34 percent below the 1984/85 record outturn of 128,000 tons.

DAIRY, LIVESTOCK AND POULTRY

Soviet Union May Buy EC Intervention Butter. The Soviet Union is negotiating for purchase of 100,000 tons of old butter acquired under the European Community's intervention program. The Soviets typically import about 200,000 tons of butter a year so this sale could potentially cover one half of Soviet butter import needs for 1986. The Soviets are believed to be seeking unsalted butter. The average price is likely to be below the GATT minimum, but within the International Dairy Arrangement derogation. The United States sells no butter to the USSR, so this sale is unlikely to have any impact on U.S. trade.

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United Kingdom Challenges EC Hormone Ban. The United Kingdom (U.K.) has applied to the European Court of Justice seeking annulment of the European Community (EC) directive banning the use of all growth hormones in livestock fattening. If implemented, the ban could curtail U.S. beef and variety meat trade with the EC valued at over $81 million.

A directive banning the use of hormone growth promoters was adopted by the EC's Council of Agriculture Ministers by a majority vote on Dec. 31, 1985. The United Kingdom voted against the Directive on the grounds that there was no scientific evidence justifying the ban and that any decision should have been by unanimous vote. If successful, the U.K. challenge could invalidate the current ban and force the EC to call for a new vote.

The ban provided for in the Directive is scheduled to take effect on Jan. 1, 1987, for all member states except the United Kingdom. The United Kingdom received a one-year extension and will not have to enforce the ban until Jan. 1, 1988.

*****

World 1985 Meat and Egg Production Up. World meat production in 1985 is estimated at 126.6 million tons, an increase of 3 percent from 1984. Slower growth is expected in 1986 due to a decline in beef production and more modest growth in the pork and poultry sectors. Much of the 3-percent increase in world red meat output in 1985 was due to a sharp rise in Chinese pork production. World poultry meat production increased 4 percent in 1985 mostly due to larger output in the United States, Brazil and the Soviet Union.

World Meat Production

	1984	1985 1/	1986 2/
	Million tons		
Beef and veal	41.9	42.5	41.7
Pork	51.6	54.0	54.7
Sheep and goat meat	4.6	4.8	4.7
Total red meat 3/	98.2	101.3	101.1
Poultry meat 3/	24.3	25.3	26.0
Total meat 3/	122.5	126.6	127.2

1/ Preliminary. 2/ Forecast. 3/ Total may not add due to rounding.

World beef production increased about 550,000 tons, or slightly more than 1.3 percent, during 1985 while cattle numbers fell about 3.0 million head largely due to herd culling in the United States, Canada, the European Community (EC) and Soviet Union. U.S. cattle number numbers fell 4 percent during 1985 to 105.5 million head, the lowest level since 1963. U.S. beef production increased slightly in 1985, but it is expected to decline in 1986.

Canadian cattle inventories continued to decline in 1985 because of both poor prices and drought in the West. EC-10 cattle numbers fell in 1985 as dairy herd culling continued. For 1986 EC-10 beef production should be down about 275,000 tons compared to the 150,000 ton decline in 1985 as dairy herd culling diminishes.

Soviet herd numbers fell by 300,000 head as slaughter and beef production increased in 1985, due in part to increased herd culling. For 1986, beef production is expected to be unchanged as heavier slaughter weights offset a decline in the number slaughtered.

In Australia cattle herd rebuilding continued during 1985 but at a slower pace than in 1984 as slaughter increased in response to higher prices. Argentine beef production increased during 1985 and is expected to remain near this level in 1986 due to herd culling despite decontrol of domestic beef prices.

Cattle Numbers and Beef Production 1/

	Beginning cattle inventory			Beef and veal production		
	1984	1985	1986 2/	1984	1985 3/	1986 4/
	Million head			Million tons		
United States	113.7	109.7	105.5	10.9	11.0	10.5
Canada	11.4	11.0	10.6	1.0	1.0	1.0
EC-10 5/	79.4	78.8	77.6	7.4	7.3	7.0
East Europe	37.9	37.8	37.3	2.5	2.4	2.4
Soviet Union	119.6	121.1	120.7	7.2	7.4	7.4
Argentina	58.6	58.8	57.6	2.6	2.7	2.7
Uruguay	9.5	9.9	10.6	0.3	0.3	0.3
Australia	22.2	22.7	23.6	1.2	1.4	1.4
New Zealand	7.6	7.8	8.0	0.4	0.5	0.5
Total of 51 countries	962.3	964.9	962.0	41.9	42.5	41.7

1/ Includes buffalo numbers and meat production. 2/ Estimate. 3/ Preliminary. 4/ Forecast. 5/ Does not include Spain and Portugal which joined the European Community on Jan. 1, 1986.

World pork production rose sharply in 1985 due largely to higher production in China and the EC. A slightly smaller expansion is projected for 1986 because of slower growth in Chinese production.

Hog numbers in China rose to over 331 million head and pork production increased sharply in 1985 in response to a 30-percent rise in market prices. A slower growth in Chinese pork production is projected for 1986 due to a reported decline in profit margins. EC pork output expanded in 1985 because of abundant feed supplies and further gains are expected in 1986.

In the Soviet Union, hog numbers fell slightly during 1985 as did pork production. For 1986, pork production is expected to increase as improved early season feed supplies result in higher carcass weights. In most of Eastern Europe, hog numbers are down as a result of feed shortages and weak export markets. However, Polish hog numbers are up sharply because of strong domestic demand and low feed prices.

Hog Numbers and Pork Production

	Beginning hog inventory			Pork production		
	1984	1985	1986 1/	1984	1985 2/	1986 3/
	-------Million head-----			------Million tons------		
United States	56.7	54.1	52.3	6.7	6.7	6.6
Canada	10.7	11.0	10.7	0.9	0.9	0.9
EC-10 4/	79.2	79.7	81.4	9.7	9.9	10.1
East Europe	73.3	73.6	71.2	6.6	6.5	6.6
Soviet Union	78.7	77.9	77.6	5.9	5.8	5.9
China	298.5	306.8	331.5	14.5	16.5	17.0
Total of 37 countries	700.8	706.3	728.7	51.6	54.0	54.7

1/ Estimated. 2/ Preliminary. 3/ Forecast. 4/ Does not include Spain and Portugal which joined the EC on Jan. 1, 1986.

World sheep and goat meat production expanded in 1985 due mostly to larger output in Australia and New Zealand. In Australia production was up 22 percent as herd rebuilding slowed and some culling took place in response to low prices. In New Zealand drought caused a reduction in the sheep inventory and production expanded. During 1986, more normal weather conditions in New Zealand are expected to encourage herd rebuilding and production is likely to be down. In the Soviet Union dry weather and winter blizzards caused major herd reductions in 1985.

Sheep Numbers and Goat and Sheep Meat Production

	Beginning sheep inventory			Sheep and goat meat production		
	1984	1985	1986 1/	1984	1985 2/	1986 3/
	-------Million head------			----------Million tons-------		
Australia	139.2	149.7	154.0	0.45	0.55	0.54
New Zealand	70.3	69.7	67.9	0.67	0.73	0.67
Soviet Union	145.3	142.9	140.3	0.87	0.83	0.80
Total of 30 countries	685.3	688.4	689.6	4.63	4.77	4.68

1/ Estimated. 2/ Preliminay. 3/ Forecast.

World poultry meat production exceeded 25 million tons in 1985, 4 percent above 1984. Strong growth in the United States, a recovery in Brazil following the previous year's downturn and further growth in the Soviet Union contributed to the increase. During 1986 world output is expected to grow 3 percent with the United States, Brazil and the Soviet Union again providing most of the global increase. Current relatively favorable profit margins indicate production in the United States will grow about 5 percent in 1986. Output in the Soviet Union is expected to expand 3-4 percent in 1986, similar to the expansion in the past three years. Poultry meat output in France and Hungary, major exporting countries, is expected to show little change in 1986.

Poultry and Egg Production

	Total poultry meat			Eggs		
	1984	1985 1/	1986 2/	1984	1985 1/	1986 2/
	Thousand tons			Billion units		
United States	7,435	7,814	8,224	68.5	68.2	68.4
Brazil	1,398	1,530	1,590	8.5	9.0	9.5
EC-10 3/	4,275	4,326	4,369	70.4	70.6	69.7
Spain	789	800	810	10.1	10.2	11.0
Hungary	405	415	415	4.3	4.5	4.6
Soviet Union	2,686	2,800	2,900	76.5	77.0	77.5
Total 4/	24,262	25,259	25,994	362.7	367.0	368.9

1/ Preliminary. 2/ Forecast. 3/ Does not include Spain and Portugal which joined the European Community Jan. 1, 1986. 4/ Includes 44 countries for poultry meat and 40 countries for eggs.

World output of eggs in 1985 is estimated at 367 billion, up 1 percent from 1984. Output in Algeria and Iraq was up sharply as new production facilities were completed in those two countries. Output in the United States, the EC-10 and the USSR was largely unchanged.

Global egg production in 1986 is expected to show little change. In the United States, tight profit margins are expected to restrain 1986 growth. Output in the USSR again is expected to increase moderately. Production in the EC-10 is forecast to decline in 1986 as some countries, particularly the Netherlands and the United Kingdom, attempt to create a better balance on domestic markets.

Following extremely rapid growth during recent years, egg production in Algeria is expected to increase only about 6 percent in 1986. Surplus production during the fall of 1985 reportedly has made Algerian producers more cautious. In Iraq, another large production increase is expected as plants and facilities currently under construction come into production.

World broiler production in 1985 totaled an estimated 19.2 million tons, up over 4 percent from 1984. Production in the United States was up almost 5 percent as producers responded to favorable broiler prices and lower feed costs. Production in the EC showed little change in 1985 as problems of overproduction continue to characterize the region. Output in Brazil recovered during 1985 as the domestic market showed improvement. Broiler output in Japan was up as producers responded to lower feed prices and stronger demand, particularly during the first half of 1985.

In 1986, world output of broiler meat is forecast to expand about 3 percent, mostly due to continued expansion in the United States and the Soviet Union. Production in France, the Netherlands and Hungary, all significant exporters, is expected to be largely unchanged. In Brazil, further growth in domestic demand and in production to meet that demand is expected.

World turkey meat production in 1985 is estimated at 2.5 million tons, 6 percent above 1984. The increase in the United States was largely a result of favorable grower returns during 1984 and 1985. Production increases estimated for the United Kingdom and Germany were a result of further expansion in domestic demand. World production in 1986 is forecast at 2.6 million tons with growth in the EC and the United States expected to continue at about the same rate as in 1985.

Broiler and Turkey Meat Production

	Broilers			Turkey meat		
	1984	1985 1/	1986 2/	1984	1985 1/	1986 2/
	-------Thousand tons-------			---------Thousand tons------		
United States	5,902	6,175	6,470	1,218	1,331	1,460
Brazil	1,360	1,490	1,550	38	40	40
EC-10 3/	2,903	2,927	2,954	734	757	772
Spain	719	725	745	17	18	19
Hungary	335	345	345	N/A	N/A	N/A
Soviet Union	1,475	1,610	1,710	90	100	105
Total 4/	18,351	19,188	19,820	2,330	2,484	2,626

1/ Preliminary. 2/ Forecast. 3/ Does not include Spain and Portugal which joined the EC Jan. 1, 1986. 4/ Includes 37 countries for broilers and 20 countries for turkey.

EXPORT ENHANCEMENT UPDATE

As of March 18, export enhancement initiatives had been announced for the following 11 countries: Algeria, Egypt, North Yemen, Morocco, Turkey, Jordan, Philippines, Zaire, Iraq, Nigeria and Tunisia. Six commodities were approved for the programs: wheat, wheat flour, semolina, rice, poultry and barley malt. The volume of wheat in the initiatives announced to date represents about 22 percent of the projected level of U.S. wheat exports in fiscal 1986 and the volume of wheat actually sold represents 11 percent of the projected fiscal 1986 wheat export total. The volume of all commodities announced under the export enhancement program to date represents about 5 percent of total projected agricultural exports in fiscal 1986.

EXPORT ENHANCEMENT PROGRAM
Status as of March 18, 1986
(metric tons)

ANNOUNCED INITIATIVES	QUANTITY	RESULTS/STATUS
1. Algerian Wheat	June 4 1,000,000	Sold 1,000,000 COMPLETE
2. Egyptian Wheat Flour	July 2 600,000	Sold 175,000
3. Egyptian Wheat	July 26 500,000 October 30 500,000	Sold 500,000
4. Yemen Wheat Flour	August 20 50,000	Sold 30,000
5. Yemen Wheat	September 6 100,000	
6. Morocco Wheat	September 30 1,500,000	Sold 760,000
7. Turkey Wheat	October 16 500,000	Sold 506,600 COMPLETE
8. Jordan Rice	November 8 40,000	
9. Philippine Wheat Flour	November 15 100,000	Sold 50,000
10. Zaire Wheat Flour	November 18 64,000	Sold 30,000
11. Egypt Poultry	November 26 8,000	Sold 8,000 COMPLETE
12. Iraq Wheat Flour	December 9 150,000	Sold 37,500
13. Nigeria Barley Malt	December 10 100,000	
14. Zaire Wheat	December 27 40,000	Sold 20,000
15. Philippine Wheat	January 7 150,000	Sold 152,400 COMPLETE
16. Algerian Semolina	February 11 250,000	
17. Algeria Wheat Flour	February 25 100,000	
18. Tunisia Wheat	March 18 300,000	

Announced to date	6,600,500	(grain equivalent)
Sold to Date	3,387,100	(grain equivalent)
Bonus	968,700	($142.2 million at book value)

RECENT PAPERS AND PUBLICATIONS

The Current World and Domestic Coffee Outlook and Situation. This joint staff analysis by the Foreign Agricultural Service and the Economic Research Service summarizes, among other things, the potential impact of the Brazilian drought on 1986/87 global coffee supplies, recent trends in green coffee prices, recent trends in U.S. coffee use, and projections of how high retail prices of roasted cofee are likely to rise. Single copies of this paper are available free by contacting Milton Anderson, FAS, Room 6097 South Building, USDA, Washington, D.C. 20250. Tel (202) 447-2252.

Emerging Agricultural Markets in the Pacific Rim. This study assesses agricultural trade opportunities for a wide variety of products and includes both narrative ananlysis as well as commodity trade statistics covering 126 agricultural products imported by the Pacific Rim group. Paper copies of this report are available for $30. A full set of the statistics also is available on 5-1/4 inch micro-computer diskettes formatted in Lotus 1-2-3 Version 1A for $30. A paper copy of the report plus diskette is available for $50. Order from AIMS, Room 4649 South Building, USDA, Washington, D.C. 20250. Tel (202) 447-7103.

Selected International Prices

Item	March 18, 1986		Change from a week ago	A year ago
ROTTERDAM PRICES 1/	$ per MT	$ per bu.	$ per MT	$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	183.00
U.S. No. 2 DNS/NS: 14%....	165.00	4.49	+4.50	165.00
U.S. No. 2 S.R.W. 10/	119.00	3.24	0	164.00
U.S. No. 3 H.A.D.....	164.00	4.46	+5.00	177.00
Canadian No. 1 A: Durum...	N.Q.	--	--	187.00
Feed grains:				
U.S. No. 3 Yellow Corn....	112.00	2.84	+.50	135.00
Soybeans and meal:				
U.S. No. 2 Yellow.....	218.70	5.95	+.50	244.00
Brazil 47/48% SoyaPellets	204.00	--	+4.00	155.00
U.S. 44% Soybean Meal....	198.00	--	+4.00	150.00
U.S. FARM PRICES 3/				
Wheat.....	115.36	3.14	+.73	123.08
Barley.....	--	--	--	78.54
Corn.....	90.16	2.29	+1.57	105.91
Sorghum.....	79.81	3.62 2/	+1.10	94.58
Broilers.....	1121.70	--	+.22	1095.02
EC IMPORT LEVIES				
Wheat 5/.....	157.70	4.29	+.30	43.40
Barley.....	148.95	3.24	+1.90	46.35
Corn.....	142.20	3.61	+.60	41.85
Sorghum.....	145.05	3.68	-4.50	54.55
Broilers 4/ 6/ 8/.....	N.Q.	--	--	--
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	192.10	5.23	+1.95	133.00
Bread wheat (min. quality)	204.15	5.55	+2.10	141.35
Barley and all other feed grains.....	192.10	--	+1.95	133.00
Broilers 4/ 6/.....	N.Q.	--	--	--
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	86.80	2.36	--	16.10
Barley.....	109.80	2.39	--	28.25
Broilers 4/ 6/ 8/.....	N.Q.	--	-	--

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Twelve-city average, wholesale weighted average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ June shipment. N.A.=None authorized. N.Q.=Not quoted. Note: Basis April delivery.

*U.S. GOVERNMENT PRINTING OFFICE: 1986-490-917:20403/FAS

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World Production and Trade

United States Department of Agriculture

Foreign Agricultural Service

Washington, D.C. 20250

Weekly Roundup

WR 12-86

March 26, 19

WEEKLY ROUNDUP OF WORLD PRODUCTION AND TRADE

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The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade:

OILSEEDS

No Growth Expected in China's Soybean Imports in 1986/87. China's soybean imports are forecast by the U.S. agricultural counselor in Beijing at 200,000 tons in 1986/87, the same level as 1985/86. Recent purchases of U.S. soybeans were slated for food use and apparently do not represent the beginning of imports aimed at meeting Chinese rising feed demand. Chinese oilseed exports are expected to continue to displace U.S. sales in Southeast Asia in 1986/87. China can export food-grade soybeans, especially to Japan, at sufficiently high prices that it can still make a profit when it imports soybeans from the United States for domestic food use. The primary destinations for Chinese soybeans and soybean meal are the Soviet Union, Japan, Indonesia, Malaysia, the Philippines, Republic of Korea and Singapore.

DAIRY, LIVESTOCK AND POULTRY

Netherlands' Cattle Numbers Decline While Pork and Poultry Gain. Dutch cattle numbers fell nearly 4 percent to 5.08 million head during 1985 as dairy herd culling continued. Beef production fell slightly in 1985 to 494,000 tons and a further decline to 475,000 tons is projected for 1986 as herd numbers continue to decline.

Dutch hog numbers were up 9.4 percent during 1985 to 12.9 million head as farmers took advantage of exemptions in government measures to curtail swine and chicken inventory growth. Low feed prices and embargoes on Belgian pork because of African Swine Fever pushed 1985 hog prices above 1984 levels. Pork production was up 5.8 percent in 1985 to 1.33 million tons and is projected to rise 5.3 percent to 1.4 million tons for 1986. Hog prices as of mid-March were 12 percent below year-ago levels and this should slow herd growth this year.

Dutch poultry production was up 3.6 percent in 1985 to 425,000 tons and is projected to increase 3.5 percent to 440,000 tons in 1986.

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GERALDINE SCHUMACHER, Editor, Tel (202) 447-7115. Additional copies may be obtained from FAS Information Division, Room 5922 South Building, U.S. Department of Agriculture, Washington, D.C. 20250. Tel (202) 447-7937.

A 67.42:

Soviet Livestock Sector Records Strong Gains. In the Soviet Union, a mild winter and an improved feed supply have facilitated strong performance by the state livestock sector, according to the U.S. agricultural attache in Moscow. On a liveweight basis, January-February meat production was 13 percent above 1985. Comparable increases for milk and eggs were 5 and 7 percent, respectively. For individual meats, beef and pork were each approximately 13 percent higher than the first two months of 1985, poultry 16 percent higher, and sheep and goat meat were down slightly.

Changes during February in animal numbers held by state and collective farms continued the pattern established in January. Hog numbers rose further to 59.1 million head, 1 percent above last year. Total cattle numbers at 94.7 million were 1 percent below March 1, 1985. Cow numbers at 29.0 million head were down 0.5 million and accounted for most of the decline in total cattle numbers. Total sheep and goat numbers were down about 1 percent, while poultry numbers were up about 3 percent.

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Canada-EC Agreement on Import Restraints for EC Beef Cancelled. A countervailing duty investigation into the subsidization of boneless manufacturing beef originating in or exported from the EC is currently in progress in Canada. The complainant in the countervailing duty case, the Canadian Cattlemen's Association, requested the rejection of the voluntary restraint agreement (VRA) reached recently with the EC, which would have limited imports of boneless manufacturing beef imports from the EC to 10,668 metric tons a year during 1986-88. Under the terms of Canada's Special Import Measures Act, the cattlemen's association request cancelled the VRA. The deputy minister of Revenue Canada now is obligated to proceed with the case and make a preliminary ruling. Should the cattlemen's association lose the case, EC beef is expected to enter Canada without additional restraint, at least for the balance of 1986.

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TOBACCO

In Japan, Hike in Tobacco Tax Improves Comeptitive Position of U.S. Cigarettes. In Japan, an increase in tobacco excise taxes to become effective May 1 has already prompted the country's cigarette manufacturer, Japan Tobacco Inc., to announce it will raise the retail price for most of its cigarettes by 20 yen per pack. U.S. cigarette manufacturers apparently see this as an opportunity to improve their approximate 2-percent share of the Japanese cigarette market. One major U.S. cigarette manufacturer has announced that the retail prices of its imported cigarettes will remain at current levels and other U.S. manufacturers are expected to follow.

The change will reduce the spread between cigarettes produced locally in Japan and imported from the United States from the current 80 to 60 yen to 60 to 40 yen per pack. The impact on U.S. leaf exports to Japan is expected to be minimal.

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United Kingdom Hikes Taxes on Cigarettes and Roll-Your-Own Tobacco. The United Kingdom has raised excise and value-added taxes on cigarettes and tobacco for hand-rolling by 11 percent, or double the current inflation rate there. New revenues are estimated at about 300 million pounds per year (US$441 million).

Total cigarette consumption in the United Kingdom is expected to fall 2 percent as a result. The higher taxes may well increase consumption of cheaper private brands and imported "generics," resulting in smaller imports of higher quality leaf, such as the U.S. tobacco.

COCOA

Ghana's Cocoa Production Increases. Ghana's 1985/86 cocoa production estimate has been increased to 212,000 tons, 6 percent above the previous forecast and 21 percent above last season's harvest, according to the U.S. agricultural attache in Lagos. Good rains in November and December caused late pods to fill out. In addition, more extensive harvesting and improved management practices, due to higher producer prices, contributed to the upward revision in the 1985/86 crop forecast.

EXPORT ENHANCEMENT UPDATE

As of March 25, 20 export enhancement initiatives had been announced for the following 11 countries: Algeria, Egypt, North Yemen, Morocco, Turkey, Jordan, Philippines, Zaire, Iraq, Nigeria and Tunisia. Six commodities were approved for the programs: wheat, wheat flour, semolina, rice, poultry and barley malt. The volume of wheat in the initiatives announced to date represents about 22 percent of the projected level of U.S. wheat exports in fiscal 1986 and the volume of wheat actually sold represents 11 percent of the projected fiscal 1986 wheat export total. The volume of all commodities announced under the export enhancement program to date represents about 5 percent of total projected agricultural exports in fiscal 1986.

EXPORT ENHANCEMENT PROGRAM
Status as of March 25, 1986
(metric tons)

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5. Yemen Wheat	September 6 100,000	
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9. Philippine Wheat Flour	November 15 100,000	Sold 50,000
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12. Iraq Wheat Flour	December 9 150,000	Sold 37,500
13. Nigeria Barley Malt	December 10 100,000	
14. Zaire Wheat	December 27 40,000	Sold 20,000
15. Philippine Wheat	January 7 150,000	Sold 152,400 COMPLETE
16. Algerian Semolina	February 11 250,000	
17. Algeria Wheat Flour	February 25 100,000	
18. Tunisia Wheat	March 18 300,000	
19. Jordan Wheat	March 19 75,000	
20. Egypt Poultry	March 21 15,000	
Announced to date	6,850,000	(grain equivalent)
Sold to Date	3,387,100	(grain equivalent)
Bonus	968,700	($142.2 million at book value)

Selected International Prices

Item	March 25, 1986		Change from a week ago	A year ago
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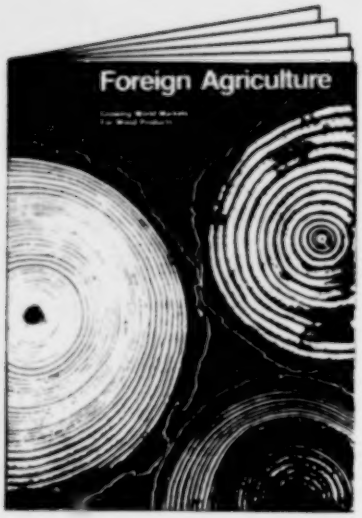
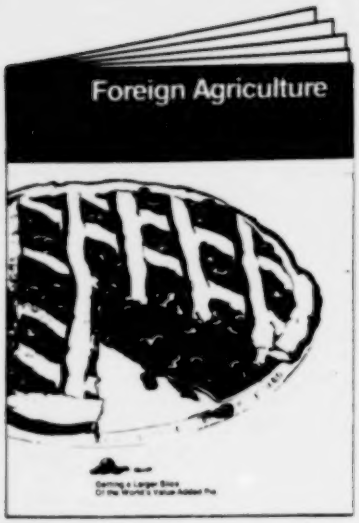
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	180.00
U.S. No. 2 DNS/NS: 14%....	168.00	4.57	+3.00	165.00
U.S. No. 2 S.R.W. 10/	114.00	3.10	-5.00	170.00
U.S. No. 3 H.A.D.....	164.50	4.48	+.50	177.00
Canadian No. 1 A: Durum...	N.Q.	--	--	184.50
Feed grains:				
U.S. No. 3 Yellow Corn....	113.50	2.88	+1.50	134.50
Soybeans and meal:				
U.S. No. 2 Yellow.....	N.Q.	5.95	--	247.25
Brazil 47/48% SoyaPellets	197.00	--	-7.00	155.00
U.S. 44% Soybean Meal....	191.00	--	-7.00	154.00
U.S. FARM PRICES 3/				
Wheat.....	--	--	--	--
Barley.....	--	--	--	--
Corn.....	--	--	--	--
Sorghum.....	--	2/	--	--
Broilers.....	1070.99	--	-50.71	1036.38
EC IMPORT LEVIES				
Wheat 5/.....	158.30	4.31	+.60	52.45
Barley.....	147.75	3.22	-1.20	54.30
Corn.....	140.75	3.57	-1.45	48.10
Sorghum.....	146.25	3.71	+1.20	62.60
Broilers 4/ 6/ 8/.....	311	--	-5	152
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	189.40	5.15	-2.70	140.30
Bread wheat (min. quality)	201.25	5.48	-2.90	149.15
Barley and all other feed grains.....	189.40	--	-2.70	140.30
Broilers 4/ 6/.....	1399	--	+23	975
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	N.Q.	--	--	19.45
Barley.....	111.45	2.43	+1.65	31.40
Broilers 4/ 6/ 8/.....	227	--	-3	90

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Twelve-city average, wholesale weighted average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ June shipment. N.A.=None authorized. N.Q.=Not quoted. Note: Basis April delivery.

*U.S. GOVERNMENT PRINTING OFFICE: 1986-490-916:40221/FAS





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United States Department of Agriculture

Foreign Agricultural Service

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Weekly Roundup

UR 13-86

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WEEKLY ROUNDUP OF WORLD PRODUCTION AND TRADE

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade:

GRAINS

U.S. Wheat Becoming More Competitive. Recent sales of new-crop U.S. wheat may indicate that U.S. prices are becoming more competitive. Algeria, one of the world's leading durum importers, has purchased new-crop U.S. durum for $136-139 a ton f.o.b., nearly 20 percent below U.S. durum prices a year ago. Algerian durum imports average 1.5 million tons annually with about 500,000 tons coming from the United States and a million tons from Canada and the European Community. In another transaction, Peru has purchased U.S. wheat for June/July delivery at $103-106 a ton, f.o.b. The purchase compared favorably to a recent Argentine sale priced between $102-104 a ton. Peru, predominantly a U.S. wheat market until recent years, began purchasing less expensive Argentine wheat when U.S. wheat became less price competitive. This year, though, significant weather damage to the Argentine crop has limited exportable supplies and caused some Argentine customers to look elsewhere. Apparently new-crop U.S. wheat is becoming a competitive alternative.

OILSEEDS

Turkey Increases Restrictions in Vegetable Oil Market. The Turkish government recently raised the import surtax for soybean, sunflowerseed, cottonseed and palm oils to $90 per ton, up from $70 per ton. According to the U.S. agricultural attache in Ankara, the government is hoping to further discourage imports and to increase the competitiveness of domestically produced vegetable oils--especially sunflowerseed oil since it is priced relatively higher. The surtax for vegetable oil in early 1985 was only $1 a ton and was increased to $60 a ton the end of 1985. As a result, the low world market prices for vegetable oil has made imports more attractive. Turkey's vegetable oil imports are estimated at 225,000 tons for 1985/86, 7 percent below last year's estimate. Imports consist mostly of soybean, palm, and sunflowerseed oils. Sunflowerseed oil imports are estimated at 40,000 tons, around 10,000 tons of which is expected to come from the United States.

*****

GERALDINE SCHUMACHER, Editor, Tel (202) 447-7115. Additional copies may be obtained from FAS Information Division, Room 5922 South Building, U.S. Department of Agriculture, Washington, D.C. 20250. Tel (202) 447-7937.

A 67.42:

COTTON

Pakistan's Cotton Crop To Be Record-Large. The 1985/86 cotton crop in Pakistan is estimated at a record 5.7 million bales or 4 percent above the previous estimate, according to the U.S. agricultural attache in Islambad. Overall, weather conditions were favorable during the growing season despite initial planting delays due to inadequate water supplies. Plantings were up 6 percent from last year due to favorable cotton prices. Latest provincial area estimates indicate a record harvested area of 2.37 million hectares.

FRUITS

Mexico's Strawberry Production Declines. Mexico's production of strawberries is expected to decline for the second consecutive year, according to the U.S. agricultural counselor in Mexico City. The 1985/86 harvest is currently estimated at 56,000 tons, down 5 percent from 1984/85 and 39 percent below the previous 10-year high of 92,500 tons harvested during the 1983/84 season. Although the total area harvested increased by 400 hectares, late season rain, hail and frost damage significantly reduced crop yields in the major producing areas of Michoacon and Guanajuato. Average yields for 1985/86 are expected to fall to a record low of 16 tons per hectare compared with 19 tons last season and 22 tons in 1983/84. Despite the weather damage, crop quality appears to be in the normal range with approximately 30 percent of the harvested berries rated grade "A", 52 percent grade "B" and 18 percent grade "C".

Mexico Strawberries: Area, Yield and Production

	Area Harvested (Hectares)	Yield (Tons per hectare)	Production (Tons)
1981/82	3,900	16.3	63,700
1982/83	3,800	20.2	76,900
1983/84	4,200	22.0	92,500
1984/85	3,100	19.0	58,900
1985/86 1/	3,500	16.0	56,000

1/ Estimate.

GSM CREDIT UPDATE

As of March 28, the Commodity Credit Corporation had extended $3.6 billion worth of GSM-102 credit guarantees to promote exports of 34 commodities to 23 countries. Of that total, $1,022.4 million had been registered.

CCC'S Commercial Export Credit Programs by Country, FY 1986

($ Million)

Country	GSM 102 Credit Announced	Registered	Balance
Argentina	0.80	0.00	0.80
Brazil	350.00	9.70	340.30
Chile	50.00	0.00	50.00
Colombia	100.00	5.10	94.90
Ecuador	105.00	44.74	60.26
Egypt	367.50	39.20	328.30
El Salvador	8.20	0.49	7.71
Guatemala	25.00	19.76	5.24
Haiti	10.50	7.80	2.70
Honduras	11.00	2.30	8.70
Hungary	37.00	13.80	23.20
Iraq	500.00	134.30	365.70
Jamaica	60.00	8.90	51.10
Jordan	90.00	0.00	90.00
Korea	535.00	179.90	355.10
Mexico	600.00	322.00	278.00
Morocco	150.00	89.40	60.60
Pakistan	115.00	36.90	78.10
Portugal	310.00	44.20	265.80
Taiwan	3.00	0.00	3.00
Turkey	72.00	59.20	12.80
Yemen Arab Rep.	50.00	0.00	50.00
Yugoslavia	110.00	4.70	105.30
Total	3,660.00	1,022.39	2,637.61

CCC'S Commercial Export Credit Programs by Commodity, FY 1986

($ Million)

Commodity	GSM 102 Credit		
	Announced	Registered	Balance
Animal milk replacer	0.50	0.03	0.47
Almonds, shelled	0.50	0.00	0.50
Beans, dry	99.00	8.30	90.70
Beef liver	4.00	0.00	4.00
Breeder stock	12.60	5.76	6.84
Breeding materials	1.00	0.00	1.00
Canned meats	3.00	0.00	3.00
Corn	45.00	0.00	45.00
Cotton	419.50	99.90	319.60
Feed grains	643.20	172.90	470.30
Grape concentrate	0.20	0.10	0.10
Hides & skins	44.00	2.80	41.20
Hops	0.40	0.20	0.20
Lentils	6.00	0.00	6.00
Lumber	28.30	2.30	26.00
Malt	1.40	0.90	0.50
Mullet	2.00	0.00	2.00
Oilseeds	329.00	85.30	243.70
Peas, dry	2.00	0.00	2.00
Planting seeds	14.00	7.25	6.75
Poultry breeding	2.10	1.15	0.95
Poultry meat	5.00	0.00	5.00
Protein concentrate	1.00	0.00	1.00
Protein meal	58.00	15.70	42.30
Rice	256.00	23.90	232.10
Soy protein	2.00	0.30	1.70
Soybeans	35.00	26.60	8.40
Sugar	25.00	0.00	25.00
Tallow/grease	61.50	40.00	21.50
Tobacco	91.50	0.00	91.50
Undesignated	56.30	0.00	56.30
Vegetable oils	253.50	153.20	100.30
Wheat	1,008.00	368.50	639.50
Wheat flour	100.00	6.20	93.80
Wheat/wt fl	49.50	1.10	48.40
Total	3,660.00	1,022.39	2,637.61

Selected International Prices

Item	April 1, 1986		Change from a week ago	A year ago
ROTTERDAM PRICES 1/	$ per MT	$ per bu.	$ per MT	$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	183.00
U.S. No. 2 DNS/NS: 14%....	168.50	4.58	+0.50	167.50
U.S. No. 2 S.R.W. 10/	117.00	3.18	+3.00	168.00
U.S. No. 3 H.A.D.....	163.00	4.44	-1.50	179.00
Canadian No. 1 A: Durum...	N.Q.	--	--	187.00
Feed grains:				
U.S. No. 3 Yellow Corn....	114.00	2.90	+1.00	136.00
Soybeans and meal:				
U.S. No. 2 Yellow.....	218.20	5.94	--	245.00
Brazil 47/48% SoyaPellets	193.00	--	+2.00	160.00
U.S. 44% Soybean Meal....	187.00	--	+4.00	155.00
U.S. FARM PRICES 3/				
Wheat.....	116.47	3.17	-1.84	125.28
Barley.....	--	--	--	84.97
Corn.....	90.94	2.31	--	104.72
Sorghum.....	81.13	3.68 2/	+0.88	95.68
Broilers 7/.....	1051.37	--	-19.62	1015.66
EC IMPORT LEVIES				
Wheat 5/.....	155.85	4.24	-2.45	64.40
Barley.....	147.00	3.20	-0.75	61.35
Corn.....	137.40	3.49	-3.35	56.90
Sorghum.....	144.10	3.66	-2.15	73.30
Broilers 4/ 6/ 8/.....	308	--	-4	158
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	187.35	5.10	-2.05	146.10
Bread wheat (min. quality)	199.10	5.42	-2.15	155.30
Barley and all other feed grains.....	187.35	--	-2.05	146.10
Broilers 4/ 6/.....	1321	--	-78	975
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	N.A.	--	--	23.30
Barley.....	107.30	2.34	-4.15	37.30
Broilers 4/ 6/ 8/.....	225	--	-2	93

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Twelve-city average, wholesale weighted average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ June shipment. N.A.=None authorized. N.Q.=Not quoted. Note: Basis April delivery.

WR 14-86

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WR 14-86

April 9, 1986

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The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

GRAIN AND FEED

U.K. Feed Wheat Displaces U.S. Corn Sales to Korea. The United Kingdom's first feed wheat sale to Korea is providing another source of competition for U.S. corn exports. Trade sources report that the U.K. has sold 50,000 metric tons of 1984/85 intervention feed-quality wheat to Korea for early April shipment at US$106 per ton c.i.f. Korea has long been rumored as a possible outlet for the U.K.'s projected 6-million-ton wheat surplus, most of which is feed-quality. Prior to 1984, the United States supplied virtually all of Korea's 3-million-ton corn imports. However, since 1984, corn from Thailand and China, and feed wheat from Canada, Australia and now the U.K., have displaced over a third of the U.S. corn exports to Korea.

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U.S. Rice Exports to Peru May Increase. Increased Peruvian rice import requirements may provide opportunities for additional U.S. rice sales. In anticipation of the second consecutive sharp drop in rice production, Peru's Minister of Agriculture has indicated that Peru may purchase up to 290,000 tons of rice during 1986 (January-December). Peru has already negotiated for 100,000 tons of rice from other suppliers but is expected to look closely at U.S. prices during a 40,000-ton tender scheduled after the new U.S. rice marketing-loan price is announced on April 11. Over the past three years, Peru has purchased virtually all of its 50,000-ton average annual rice import requirements from the United States.

OILSEEDS AND PRODUCTS

Forecast of Greek Soybean Imports Up Dramatically. The U.S. agricultural attache in Athens estimates that given the expansion in crushing and the upward trend of soybean meal consumption in Greece within the last few months, soybean imports in 1986 will reach 280,000 tons. This is up markedly from USDA's March estimate of 215,000 tons. The attache estimates that 1987 imports could reach 335,000 tons. This good news for U.S. exports is tempered by the fact that the Greek government continues to require that the majority of the soybean oil be exported in order to protect the domestic olive oil industry. These restrictions on marketing soybean oil were to have been phased out by Jan. 1, 1986, when the transitional period for Greece into the European Community expired.

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LYNN K. GOLDSBROUGH, Editor, Tel. (202) 382-9442. Additional copies may be obtained from FAS Media and Public Affairs Branch, 5922-S, Washington, D.C. 20250. Tel. (202) 447-7937.

A 67.42:

Pakistan's Vegetable Oil Imports To Be Up in 1986/87. Pakistan's 1986/87 total vegetable oil imports are forecast to increase to 740,000 tons, up from USDA's March estimate of 1985/86 imports of 658,000 tons, according to the U.S. agricultural attache in Islamabad. Pakistan's 1986/87 soybean oil imports are forecast at 230,000 tons, up from USDA's March estimate of 1985/86 imports of 200,000 tons. Pakistan is the largest market for U.S. soybean oil. However, the U.S. share of Pakistan's vegetable oil market is largely determined by Public Law 480 and GSM-102 program levels.

*****

Haiti Liberalizes Vegetable Oil Import Policy. The Haitian Ministry of Finance has announced the liberalization of vegetable oil imports. The changes include letting other sources beside ENAL (a semi-governmental organization) import vegetable oils. Trade sources report that ENAL will cease operations, resulting in soybean imports falling to zero, with vegetable oil being imported by the five remaining refiners. USDA has been estimating soybean imports at 30,000 tons, most of which is expected to come from the United States. The U.S. agricultural attache in Santo Domingo forecasts that vegetable oil prices in Haiti will fall, leading to an increase in imports. USDA is currently estimating soybean oil imports at 22,000 tons. The United States has traditionally been Haiti's main supplier, but now faces competition from Brazil and Argentina. The decline in U.S. soybean exports to Haiti could by offset by larger oil exports.

*****

Philippines Buys Brazilian Soybean Meal. The Philippine Association of Feed Millers (PAFMI) recently purchased 25,000 tons of Brazilian soybean meal for April shipment at $217 per ton c.&f. This was the first purchase of Brazilian soybean meal since February 1984. Since then, the United States and China have been the major suppliers of soybean meal to the Philippines. USDA estimates Philippine 1985/86 soybean meal imports at 350,000 tons, about a third of which is expected to come from the United States.

DAIRY, LIVESTOCK AND POULTRY

Polish Livestock Sector Showed Growth in 1985. Poland's livestock sector showed generally favorable results in 1985 despite a relatively slow start in the first half of the year, according to the U.S. agricultural counselor in Warsaw. The December census showed hog numbers at 19.2 million head, 11 percent above 1984. Sow numbers were up more than 8 percent indicating further expansion is likely in 1986. Low prices for milk have lead to above normal culling of dairy cows causing total cow numbers to drop about 5 percent and total cattle numbers to decline about 2 percent. Despite the drop in cow numbers, milk production declined only 1 percent because milk yields were up sharply. Egg production in 1985 was reported to be 2 percent larger than in 1984.

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For 1986, feed supplies will be critical, especially in light of the large increase in hog numbers. Maintenance of these larger hog numbers is expected to put pressure on domestic feed supplies, particularly before the new crop becomes available. Expansion in broiler production will continue to be limited in order to prevent further dependence on imported feed. Both milk production and processing are expected to be reduced further in 1986 due to the decline in cow numbers and a tendency to use more milk for supplementary feeding of piglets.

*****

Argentina Likely To Import 15,000 Tons of Pork. Due to tight supplies of pork, Argentina has lifted the import ban on pork carcasses to allow the importation of 15,000 tons. It is expected that European Community (EC) subsidized pork will supply most of the needs of this market, but U.S. exporters have an opportunity to supply this market as well. Argentina has not imported any pork since 1983, when 3,000 tons were imported.

Product specifications are that pork sides should have the following parts removed: head, front legs, kidneys and kidney fat; weight range for pork side is 88-100 pounds; specifications of fat content should be included; and quotation c.i.f. Buenos Aires.

TOBACCO

Turkey Announces Changes in Import Regulations. On Feb. 22, 1986, Turkey announced changes in its 1986 import regulations affecting a number of items, including cigarettes. For cigarettes, the duty was lowered from 80 percent to 75 percent of the wholesale-retail margin. The reduction of the cigarette duty should make imported cigarettes more competitive on the domestic market and could stimulate increased demand for U.S. cigarettes. U.S. cigarette shipments to Turkey have risen from only $10,000 in 1983 to an average of $8.2 million in 1984 and 1985.

FRUIT

Brazil's 1986 Commercial Orange Crop in Sao Paulo Forecast To Be Down. Brazil's 1986 commercial orange crop in the state of Sao Paulo is forecast at 210 million (40.8-kilogram) boxes, down 9 percent from the record 1985 harvest, according to the U.S. agricultural officer in Sao Paulo. The 1986 season got off to an especially poor start. The first bloom during August-September was almost a complete failure because of an extended drought. In January, more normal rainfall allowed a successful, although late, bloom. The lateness of the bloom is expected to delay the 1986 harvest until August, 60-90 days later than normal.

The estimate of the 1985 crop has been revised upward to a record 230 million boxes, 12 percent above the previous estimate (see WR 46-85). The drought affected both the 1986 and 1985 crops. However, final losses were less than initially estimated and exceptional fruit prices encouraged less selective picking.

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WOOD AND WOOD PRODUCTS

Hungarian Plan Calls for Increased Roundwood Output. The U.S. agricultural counselor in Vienna reports that Hungary's seventh five-year plan (1986-90) projects roundwood production at 8.5-9.0 million cubic meters (CUM). This compares with annual fellings of 7.94-8.05 million CUM during the previous five-year plan. The moderate increase projected for the new plan period reflects the ongoing problems hampering the industry--lack of investment, declining profits, high taxation, stagnant technology and outdated machinery.

The structure of domestic wood production does not correspond to demand. Because of a high percentage of hardwoods (mainly willows and poplars) and a shortage of adequate processing facilities, 40 percent of all hardwood logs are exported. In contrast, 90 percent of Hungary's softwood requirements must be met by imports.

The Soviet Union remains Hungary's main supplier of softwood. However, growing domestic consumption in the USSR has led to the establishment of Soviet export quotas, resulting in reduced supplies available for shipment to Hungary and other outlets. Because of this development, Hungarian softwood importers have begun to rely heavily on supplies from Austria, Finland and Czechoslovakia.

EXPORT ENHANCEMENT PROGRAM

The status of USDA's Export Enhancement Program as of April 4, 1986, was as follows in metric tons:

Announced Initiatives	Quantity	Results/Status
1. Algerian Wheat	June 4 1,000,000	Sold 1,000,000 Complete
2. Egyptian Wheat Flour	July 2 600,000	Sold 175,000
3. Egyptian Wheat	July 26 500,000 October 30 500,000	Sold 500,000 Complete
4. Yemen Wheat Flour	August 20 50,000	Sold 31,500
5. Yemen Wheat	September 6 100,000	
6. Morocco Wheat	September 30 1,500,000	Sold 760,000
7. Turkey Wheat	October 16 500,000	Sold 506,600 Complete
8. Jordan Rice	November 8 40,000	
9. Philippine Wheat Flour	November 15 100,000	Sold 50,000

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Announced Initiatives	Quantity	Results/Status
10. Zaire Wheat Flour	November 18 64,000	Sold 30,000
11. Egypt Poultry	November 26 8,000 March 21 15,000	Sold 8,000 Complete
12. Iraq Wheat Flour	December 9 150,000	Sold 37,500
13. Nigeria Barley Malt	December 10 100,000	
14. Zaire Wheat	December 27 40,000	Sold 20,000
15. Philippine Wheat	January 7 150,000	Sold 152,400 Complete
16. Algerian Semolina	February 11 250,000	
17. Algeria Wheat Flour	February 25 100,000	
18. Tunisia Wheat	March 18 300,000	
19. Jordan Wheat	March 19 75,000	
20. Iraq Dairy Cattle	April 4 6,500	
21. Algeria Table Eggs	April 4 500,000,000	
22. Benin Wheat	April 7 45,000	
23. Syria Wheat	April 8 700,000	

Announced to date	7,373,000	(grain equivalent)
Sold to Date	3,389,100	(grain equivalent)
Bonus	968,700	($142.4 million at book value)

Selected International Prices

Item	April 8, 1986		Change from a week ago	A year ago
ROTTERDAM PRICES 1/	$ per MT	$ per bu.	$ per MT	$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	187.1
U.S. No. 2 DNS/NS: 14%....	172.00	4.68	+3.50	172.0
U.S. No. 2 S.R.W. 10/	115.00	3.13	-2.00	170.00
U.S. No. 3 H.A.D.....	167.00	4.55	+4.00	181.00
Canadian No. 1 A: Durum...	N.Q.	--	--	189.75
Feed grains:				
U.S. No. 3 Yellow Corn....	113.00	2.87	-1.00	136.00
Soybeans and meal:				
U.S. No. 2 Yellow.....	213.40	5.81	-4.80	246.00
Brazil 47/48% SoyaPellets	186.00	--	-7.00	151.00
U.S. 44% Soybean Meal....	185.00	--	-2.00	150.00
U.S. FARM PRICES 3/				
Wheat.....	117.94	3.21	+1.47	126.02
Barley.....	N.Q.	N.Q.	N.Q.	85.89
Corn.....	N.Q.	N.Q.	N.Q.	105.12
Sorghum.....	82.45	3.74 2/	--	97.00
Broilers.....	1051.59	--	-.22	1061.51
EC IMPORT LEVIES				
Wheat 5/.....	144.95	3.94	-10.90	60.20
Barley.....	145.40	3.16	-1.60	57.65
Corn.....	128.00	3.25	-9.40	52.40
Sorghum.....	132.10	3.36	-12.00	69.55
Broilers 4/ 6/ 8/.....	301.00	--	-7.00	163.00
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	185.20	5.04	-2.15	145.85
Bread wheat (min. quality)	196.70	5.35	-2.40	155.05
Barley and all other feed grains.....	185.20	--	-2.15	145.85
Broilers 4/ 6/.....	1311.00	--	-10.00	980.00
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	85.50	2.33	--	N.A.
Barley.....	N.A.	N.A.	--	27.10
Broilers 4/ 6/ 8/.....	220.00	--	-5.00	96.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ July shipment. N.A.=None authorized. N.Q.=Not quoted. Note: Basis May delivery.

*U.S. GOVERNMENT PRINTING OFFICE: 1986-490-916:40240-FAS

WR 15-84

World Production and Trade

United States Department of Agriculture

Foreign Agricultural Service

Washington, D.C. 20250

Weekly Roundup

WR 15-86

April 16, 198

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

GRAIN AND FEED

Record Australian Wheat Exports Likely. The Australian Wheat Board (AWB) announced that it has firm commitments for the purchase of over 14 million metric tons of wheat, giving Australia an excellent chance of achieving the AWB's wheat export target of a record 16 million tons. Strong export sales and record monthly shipments have pushed exports to 8.5 million tons at the halfway point in Australia's 1985/86 (October-September) marketing year, well above the 7.6-million-ton pace for the corresponding period last year. Even if the export pace were to drop to last year's level for the remainder of the year, 1985/86 exports would still surpass the 14.7-million-ton record set in 1984/85. The USSR, China, Egypt, Iran, Iraq and Japan are major Australian wheat buyers.

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Canada Announces Wheat and Barley Initial Payments. The Canadian Wheat Board (CWB) has lowered its 1986/87 initial payments for wheat and barley in anticipation of increased competition from lower U.S. new crop prices and European Community (EC) export subsidies. The initial payment for No. 1 Canadian Western Red Spring wheat was lowered Can$30 per ton to Can$130 per ton (about US$93) and the payment for No. 1 feed barley was reduced from Can$110 per ton to Can$80 per ton (about US$57). The initial payment is the minimum price producers receive for their grain from the CWB, and, as such, serves as a floor price. The CWB then markets the grain, pools the proceeds, deducts operating costs and distributes any surplus funds to producers as final payments. In recognition of the difficult financial situation facing domestic producers, the CWB did not increase charges for grain handling and storage.

OILSEEDS AND PRODUCTS

Denmark May Ban Cottonseed Meal Imports. The Danish Government is investigating the banning of cottonseed meal use in compound feeds. Reportedly, unsatisfactory levels of aflatoxin have been found in milk and milk products. The U.S. agricultural counselor in Copenhagen reports that cottonseed meal could be replaced by soybean meal. Imports of cottonseed meal in 1985/86 are currently estimated at 350,000 tons, with negligible amounts from the United States. USDA estimates 1985/86 soybean and soybean meal imports at 140,000 and 1.2 million tons, respectively. The majority of the soybeans and a small percentage of the soybean meal is expected to come from the United States.

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A67.42:

Costa Rica May Import Soybeans. A Costa Rican group has almost completed the installation of a solvent extraction oilseed processing plant in the free zone of Puntarenas, with an estimated capacity of 150 tons per day. The plan is to import soybeans for processing, thereby avoiding the duty on imported vegetable oil. This action will also provide a ready supply of soybean meal for poultry and swine producers. Production may begin as soon as May 1986.

DAIRY, LIVESTOCK AND POULTRY

Japan Reduces Livestock Support Levels. Japan has reduced support prices for much of the livestock industry, according to the U.S. agricultural counselor in Tokyo. Except for pork, these reductions are the first in the history of the price support program. They were made to help curtail Japan's budget deficit. Under the new schedule starting April 1, the support price for milk is down 2.8 percent. Support prices for dairy beef were reduced 2.5 percent while those for Wagyu beef were unchanged. For pork, the floor price (the point at which pork is removed from the market) was reduced by 10 percent while the standard import price (used to calculate the levy on imports) was reduced 5.8 percent. These changes are not expected to have a major impact on livestock production during 1986.

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Guatemala Bans Exports of Beef and Live Cattle. Guatemala has suspended exports of beef and live cattle for the month of April as a result of shortages in the local market. The export ban may continue until the beef supply improves. The shortage might have been caused by large exports of live cattle from Guatemala to Mexico.

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India Buys U.S. Rambouillet Sheep. The United States exported 1,277 head of U.S. Rambouillet breeding sheep to India in March. This is only the third major shipment of U.S. sheep to India; other shipments were in 1983 (1,541 head) and 1985 (1,020 head). India has indicated interest in purchasing another 1,000 head in the near future.

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U.S. Cattle Hide Exports to China Increasing. After a 650-percent jump in 1984, the value of U.S. exports of cattle hides to China in 1985 rose another 36 percent to $30 million. Prospects remain good for U.S. exports because of the poor quality and short supplies of Chinese hides.

Higher Chinese incomes have encouraged demand for higher quality leather, but Chinese production of quality cattle hides and pigskins is hampered by unsophisticated technology. This may change in the future as the government develops its livestock industries.

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In the March 19 issue (WR 11-86) of the Weekly Roundup of World Production and Trade, the effective dates for the EC Hormone ban should have been Jan. 1, 1988, for all member states except the United Kingdom, which has until Jan. 1, 1989, to implement the directive.

WOOD AND WOOD PRODUCTS

February U.S. Wood Product Exports Increased. U.S. exports of wood products during February--at $235 million--showed strong increases across most major product categories. Cumulative 1986 exports were $452 million, up 11 percent over the same period last year. U.S. exports to China in February were $23 million, nearly double the level in February 1985. Despite increased domestic demand for lumber and plywood, export demand is likely to remain strong as a more competitive dollar makes imports of U.S. products increasingly attractive.

U.S. imports of wood products during February were $384 million. February softwood lumber imports from Canada totaled 1,096 million board feet, valued at $209 million. U.S. imports from Canada are likely to continue at the record levels set in 1985.

U.S. wood exports during February 1986 were as follows in millions of dollars (f.a.s. value basis):

	Japan	Canada	China	Other	Total
Softwood logs	60.3	3.2	22.7	5.4	91.6
Softwood lumber	17.3	6.8	0.7	24.0	48.8
Softwood plywood	0.2	1.0	0.0	10.3	11.5
Hardwood logs	1.9	0.7	0.0	7.9	10.5
Hardwood lumber	2.8	5.3	0.0	15.9	23.9
Hardwood plywood	0.0	0.1	0.0	1.6	1.8
Other products	13.4	7.4	0.0	25.9	46.7
Total	95.8	24.6	23.4	91.0	234.8

EXPORT ENHANCEMENT PROGRAM

The status of USDA's Export Enhancement Program as of April 15, 1986, was as follows in metric tons:

Announced Initiatives	Quantity	Results/Status
1. Algerian Wheat	June 4, 1985 1,000,000 April 10, 1986 1,000,000	Sold 1,000,000 Complete
2. Egyptian Wheat Flour	July 2, 1985 600,000	Sold 175,000
3. Egyptian Wheat	July 26, 1985 500,000 October 30, 1985 500,000	Sold 500,000 Complete

-more-

4.	Yemen Wheat Flour	August 20, 1985 50,000 April 14, 1986 100,000	Sold 31,500
5.	Yemen Wheat	September 6, 1985 100,000	
6.	Morocco Wheat	September 30, 1985 1,500,000	Sold 760,000
7.	Turkey Wheat	October 16, 1985 500,000	Sold 506,600 Complete
8.	Jordan Rice	November 8, 1985 40,000	
9.	Philippine Wheat Flour	November 15, 1985 100,000	Sold 50,000
10.	Zaire Wheat Flour	November 18, 1985 64,000	Sold 30,000
11.	Egypt Poultry	November 26, 1985 8,000 March 21, 1986 15,000	Sold 8,000 Complete
12.	Iraq Wheat Flour	December 9, 1985 150,000	Sold 37,500
13.	Nigeria Barley Malt	December 10, 1985 100,000	
14.	Zaire Wheat	December 27, 1985 40,000	Sold 20,000
15.	Philippine Wheat	January 7, 1986 150,000	Sold 152,400 Complete
16.	Algerian Semolina	February 11, 1986 250,000	
17.	Algeria Wheat Flour	February 25, 1986 100,000	
18.	Tunisia Wheat	March 18, 1986 300,000	Sold 50,000
19.	Jordan Wheat	March 19, 1986 75,000	
20.	Iraq Dairy Cattle	April 4, 1986 6,500 head	
21.	Algeria Table Eggs	April 4, 1986 500,000,000	
22.	Benin Wheat	April 7, 1986 45,000	
23.	Syria Wheat	April 8, 1986 700,000	
24.	Indonesia Dairy Cattle	April 9, 1986 7,500 head	
25.	Yugoslavia Wheat	April 10, 1985 200,000	
26.	Yemen Poultry Feed	April 14, 1985 150,000	

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Announced to date	8,375,000 (grain equivalent)
	500 million table eggs
	23,000 tons frozen poultry
	14,000 head of dairy cattle
Sold to Date	3,433,800 (grain equivalent)
Bonus	982,100 ($144.1 million at book value)

Selected International Prices

Item	April 15, 1986		Change from a week ago	A year ago
ROTTERDAM PRICES 1/	$ per MT	$ per bu.	$ per MT	$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	187.00
U.S. No. 2 DNS/NS: 14%....	170.00	4.63	-2.00	171.25
U.S. No. 2 S.R.W.	123.00	3.35	+8.00	168.50
U.S. No. 3 H.A.D.....	163.50	4.45	-3.50	181.00
Canadian No. 1 A: Durum...	N.Q.	--	--	189.75
Feed grains:				
U.S. No. 3 Yellow Corn....	N.Q.	N.Q.	N.Q.	136.00
Soybeans and meal:				
U.S. No. 2 Yellow.....	212.00	5.77	-1.40	241.75
Brazil 47/48% SoyaPellets	192.00	--	+6.00	153.00
U.S. 44% Soybean Meal....	188.00	--	+3.00	154.00
U.S. FARM PRICES 3/				
Wheat.....	N.Q.	N.Q.	N.Q.	124.55
Barley.....	N.Q.	N.Q.	N.Q.	85.89
Corn.....	N.Q.	N.Q.	N.Q.	105.12
Sorghum.....	N.Q.	N.Q. 2/	N.Q.	97.22
Broilers.....	1120.16	--	+68.56	1106.93
EC IMPORT LEVIES				
Wheat 5/.....	157.55	4.29	+12.60	65.20
Barley.....	146.35	3.19	+.95	62.60
Corn.....	141.45	3.59	+13.45	57.30
Sorghum.....	141.45	3.59	+14.90	70.20
Broilers 4/ 6/ 8/.....	307.00	--	+6.00	163.00
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	188.40	5.12	+3.20	152.40
Bread wheat (min. quality)	200.40	5.45	+3.70	162.00
Barley and all other feed grains.....	188.40	--	+3.20	152.40
Broilers 4/ 6/.....	1343.00	--	+32.00	980.00
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	N.A.	--	--	25.95
Barley.....	N.A.	N.A.	--	39.65
Broilers 4/ 6/ 8/.....	224.00	--	+4.00	96.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ July shipment. N.A.=None authorized. N.Q.=Not quoted. Note: Basis May delivery.

WR 16-86

World Production and Trade

United States Department of Agriculture

Foreign Agricultural Service

Washington, D.C. 20250

Weekly Roundup

WR 16-86

April 23, 1986

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

SOVIET UNION

Soviet Spring Seeding Is Well Ahead of Last Year. Soviet spring seeding is well ahead of the 1985 pace, but is behind other recent years, according to the U.S. agricultural attache in Moscow. As of April 14, some 17.8 million hectares of spring crops (including 9.4 million of small grains and pulses) had been seeded. Comparable figures for 1985 were 9.6 million and 5.4 million, respectively, clearly showing the delay caused by last year's late spring. On the same date in 1974, spring crops had been planted on 23.3 million hectares, of which 14.0 million were small grains and pulses. According to the attache, the good pace initially achieved this season as the result of warm, dry weather was slowed somewhat by recent rains and cooler temperatures. The attache also reports that winter crops are developing 15-20 days ahead of normal in the Ukraine and North Caucasus.

GRAIN AND FEED

MAY 19 1986

U.S. Corn Becoming Uncompetitive in Korea. The European Community (EC) recently sold an additional 50,000 metric tons of feed wheat to Korea. The entry of EC feed wheat into the Korean market apparently has prompted a downward spiral in the price of imported feed grains, leading to a dramatic decline in the U.S. share of Korea's feed grain imports. Since early March, feed wheat prices have fallen from US$110 per ton c.& f. to $95 per ton, while corn prices have dropped from US$109 to $102 per ton.

As a result of uncompetitive U.S. prices, the U.S. share of the Korean feed grain market stands at 16 percent for the first several months of 1986, down sharply from 99 percent in 1982. Korea's traditional reliance on corn for the bulk of its feed grain imports began to change in 1983, mainly due to the large supplies of weather-damaged Australian wheat which were made available at or below the cost of corn. From an insignificant role in 1982, feed wheat has since captured over 20 percent of the Korean market.

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Argentina's Corn Sales to Nontraditional Markets Continue. Argentina's aggressive program to market its record 1985/86 (October-September) corn export availabilities of 9.5 million tons continues to displace U.S. corn exports to traditional U.S. markets. Prompted by an apparent lack of Soviet corn purchases, Argentina continues to seek new outlets for its corn and recently made unprecedented sales to Korea.

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To date, 90,000 tons of Argentine corn have been sold to Korea and additional sales are possible. Prior to 1984, the United States supplied virtually all of Korea's 3-million-ton corn import requirements. However, since 1984, corn from Thailand, China and now Argentina, as well as feed wheat imports have displaced over a third of the U.S. corn exported to Korea.

OILSEEDS AND PRODUCTS

Mexican Vegetable Oil Imports To Be Up in 1986/87. Because of low international vegetable oil prices and lower domestic oilseed production, the U.S. agricultural counselor in Mexico City forecasts Mexico's 1986/87 vegetable oil imports will increase to 286,000 tons, an increase of over 50 percent from the 1985/86 level. Almost all of the imports are expected to come from the United States.

The United States is expected to continue as Mexico's predominant supplier given Mexico's oil needs and financial situation, coupled with the availability of GSM-102 credit guarantees. Soybean and sunflowerseed oil imports during 1986/87 are forecast at 150,000 and 125,000 tons, respectively, both up 50,000 tons from last year. Oilseed imports are also forecast to increase slightly to 2.3 million tons, from 2.2 million tons.

DAIRY, LIVESTOCK AND POULTRY

EC Intervention Butter Bound for USSR. A Belgian trading firm reportedly has bought 100,000 tons of EC intervention butter for 1986 delivery to the USSR. The shipment reportedly consists of 20,000 tons of salted butter, priced at $280 per ton, and 80,000 tons of unsalted butter, priced at between $325 and $330 per ton. The quotes are f.o.b. with three-month credit. Soviet butter imports have run about 200,000 tons per year.

The quoted prices are substantially below both the General Agreement on Tariffs and Trade (GATT) minimum of $1,000 per ton and recent EC quotes in the $1,000-$1,200 per ton range. The GATT derogation on butter prices permits such a sale so long as the quantity is no less than 100,000 tons. While the United States exports no butter to the USSR, these low prices will likely depress butter prices further, hampering U.S. exports to other markets.

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U.K. Dairy Production Remained Unchanged in 1985. Milk production in the United Kingdom totaled 16.6 million tons in 1985, essentially unchanged from 1984, according to the U.S. agricultural counselor in London. Forecasts made earlier in the year assumed milk production would decline in proportion to the decline in cow numbers, estimated at 3 percent. However, increased productivity due to improved feeding and management techniques largely offset the decline in milk cow numbers. Current forecasts indicate milk cow numbers will decline about 1 percent in 1986, but increased production per cow is expected to offset the decline in cow numbers.

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Production of cheese increased about 4 percent in 1985, with most of the increase destined for the domestic market. Another increase in cheese output and domestic use is expected in 1986. Butter output declined 2 percent in 1985; however, it was insufficient to prevent a further buildup in stocks. Butter production in 1986 is expected to remain at the 1985 level.

FRUIT

Cold Wave Hits Northwest Europe. An unusually cold wave hit northwest Europe April 11-13. Temperatures across much of West Germany dropped to 20°F (-6.5 °C) or below each of the three nights. Temperatures in northern and northwest France fell to 25°F (-4°C) or below. Damage assessments will be released as they become available.

According to the U.S. agricultural counselor in Madrid, subfreezing temperatures in Spain on April 12-13 damaged fruits, vegetables and tree nuts in Aragon, Catalonia, Valencia, Extremadura and Castile La Mancia. No official assessments have been released. Preliminary damage reports according to trade sources indicate that severe losses could be recorded for almonds, peaches, apricots and pears. No damage to citrus was reported. More specific damage assessments will be released as they become available.

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World Pineapple Output To Increase in 1986. World commercial production of fresh pineapple in 1986 is forecast at a record 5.88 million tons, 8 percent above the 1985 volume. Thailand is expected to continue as the world's largest producer with a crop of 1.9 million tons. A revised data series by the Ministry of Agriculture and Food in Manila estimates the Philippine harvest in 1986 at 1.8 million tons. Adjustments were also made for previous years.

Production gains are forecast for both the United States and Mexico which, together with Thailand and the Philippines, annually account for approximately 80 percent of the world's commercial supplies. The short-term projection for the U.S. industry is stabilization at current levels. However, continued growth is expected in Mexico, where favorable producer returns the past two seasons have generated significant increases in plantings.

Area increases, excellent moisture conditions and higher yields are expected to boost production in the Ivory Coast and South Africa to record levels. Preliminary assessments projecting bumper crops in Malaysia and Taiwan indicate that Malaysia's new, high-yielding varieties and Taiwan's expanding mechanization are proving successful in reviving the pineapple industries in those countries.

Australia and Kenya are the only commercial producers expected to harvest smaller crops this season. The downturn reflects a slight decline in area and yields following record harvests in both countries last year.

Fresh pineapple planted area and commercial production in selected countries is as follows in 1,000 hectares and 1,000 tons, respectively:

Country	1984 Area	1984 Prod.	1985 Area	1985 Prod.	1986 1/ Area	1986 1/ Prod.
Australia	6.0	115.1	6.9	135.3	6.8	130.0
Ivory Coast	7.1	227.6	8.5	298.0	9.0	327.0
Kenya	3.3	159.0	3.3	168.1	3.2	157.8
Malaysia	15.4	174.5	15.1	182.3	15.1	187.8
Mexico	8.0	260.0	10.0	350.0	11.0	450.0
Philippines	91.7	1,448.6	93.0	1,650.0	97.8	1,800.0
South Africa	30.0	184.3	31.0	240.2	31.6	257.8
Taiwan	5.1	123.6	5.6	140.0	5.9	150.0
Thailand	90.5	1,472.5	95.4	1,768.9	95.0	1,900.0
United States	14.2	544.3	14.0	512.6	14.0	521.6
Total	271.3	4,709.5	282.8	5,445.4	289.4	5,882.0

1/ Forecast.

EXPORT ENHANCEMENT PROGRAM

The status of USDA's Export Enhancement Program as of April 18, 1986, was as follows in metric tons:

Announced Initiatives	Quantity	Results/Status
1. Algeria Wheat	June 4, 1985 1,000,000 April 10, 1986 1,000,000	Sold 1,000,000 Complete
2. Egypt Wheat Flour	July 2, 1985 600,000	Sold 175,000
3. Egypt Wheat	July 26, 1985 500,000 October 30, 1985 500,000	Sold 500,000 Complete
4. Yemen Wheat Flour	August 20, 1985 50,000 April 14, 1986 100,000	Sold 31,500
5. Yemen Wheat	September 6, 1985 100,000	
6. Morocco Wheat	September 30, 1985 1,500,000	Sold 760,000

Announced Initiatives	Quantity	Results/Status
7. Turkey Wheat	October 16, 1985 500,000	Sold 506,600 Complete
8. Jordan Rice	November 8, 1985 40,000	
9. Philippines Wheat Flour	November 15, 1985 100,000	Sold 50,000
10. Zaire Wheat Flour	November 18, 1985 64,000	Sold 45,000
11. Egypt Poultry	November 26, 1985 8,000 March 21, 1986 15,000	Sold 8,000 Complete
12. Iraq Wheat Flour	December 9, 1985 150,000	Sold 37,500
13. Nigeria Barley Malt	December 10, 1985 100,000	
14. Zaire Wheat	December 27, 1985 40,000	Sold 20,000
15. Philippines Wheat	January 7, 1986 150,000	Sold 152,400 Complete
16. Algeria Semolina	February 11, 1986 250,000	
17. Algeria Wheat Flour	February 25, 1986 100,000	
18. Tunisia Wheat	March 18, 1986 300,000	Sold 50,000
19. Jordan Wheat	March 19, 1986 75,000	
20. Iraq Dairy Cattle	April 4, 1986 6,500 head	
21. Algeria Table Eggs	April 4, 1986 500,000,000	
22. Benin Wheat	April 7, 1986 45,000	
23. Syria Wheat	April 8, 1986 700,000	
24. Indonesia Dairy Cattle	April 9, 1986 7,500 head	
25. Yugoslavia Wheat	April 10, 1986 200,000	
26. Yemen Poultry Feed	April 14, 1986 150,000	
27. Egypt Dairy Cattle	April 16, 1986 6,000 head	
28. Turkey Dairy Cattle	April 16, 1986 5,000 head	
29. Morocco Dairy Cattle	April 16, 1986 4,000 head	
30. Algeria Barley	April 17, 1986 500,000	

Announced to date	9,275,000 (grain equivalent) 500 million table eggs 23,000 tons frozen poultry 29,000 head of dairy cattle
Sold to Date	2,989,600 wheat 464,800 flour, grain equivalent 8,000 frozen poultry
Bonus	$145.6 million at book value (992,600 tons)

Selected International Prices

Item	April 22, 1986		Change from a week ago	A year ago
ROTTERDAM PRICES 1/	$ per MT	$ per bu.	$ per MT	$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	189.00
U.S. No. 2 DNS/NS: 14%....	169.00	4.60	-1.00	173.75
U.S. No. 2 S.R.W. 10/	114.00	3.10	-9.00	163.50
U.S. No. 3 H.A.D.....	162.00	4.41	-1.50	181.00
Canadian No. 1 A: Durum...	N.Q.	--	--	189.50
Feed grains:				
U.S. No. 3 Yellow Corn....	113.00	2.87	--	136.00
Soybeans and meal:				
U.S. No. 2 Yellow.....	213.40	5.81	+1.40	242.75
Brazil 47/48% SoyaPellets	195.00	--	+3.00	154.00
U.S. 44% Soybean Meal....	187.50	--	-.50	149.00
U.S. FARM PRICES 3/				
Wheat.....	116.83	3.18	--	124.18
Barley.....	N.Q.	N.Q.	N.Q.	85.89
Corn.....	89.76	2.28	+.79	105.12
Sorghum.....	82.45	3.47	+.22	97.88
Broilers.....	1145.73	--	+25.57	1028.67
EC IMPORT LEVIES				
Wheat 5/.....	167.85	4.57	+10.30	70.15
Barley.....	160.80	3.50	+14.45	66.10
Corn.....	151.40	3.85	+9.95	60.25
Sorghum.....	156.40	3.97	+9.40	74.60
Broilers 4/ 6/ 8/.....	320.00	--	-13.00	165.00
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	196.70	5.35	+8.30	154.55
Bread wheat (min. quality)	209.20	5.69	+8.80	164.30
Barley and all other feed grains.....	196.70	--	+8.30	154.55
Broilers 4/ 6/.....	1392.00	--	-49.00	1087.00
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	N.A.	--	--	27.00
Barley.....	N.A.	N.A.	--	N.A.
Broilers 4/ 6/ 8/.....	233.00	--	-9.00	98.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ July shipment. N.A.=None authorized. N.Q.=Not quoted. Note: Basis May delivery.

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WR 17-86

World Production and Trade

United States Department of Agriculture

Foreign Agricultural Service

Washington, D.C. 20250

Weekly Roundup

WR 17-86

April 30, 1986

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

GRAIN AND FEED

South African Corn Displaces U.S. Corn Exports to Taiwan. U.S. corn exports to Taiwan will likely fall as a result of a South African sale of 200,000 metric tons to that market, as well as an offer to sell 200,000 additional tons. Since 1983/84 (October/September), when drought conditions forced South Africa to sharply curtail corn exports, the United States has supplied virtually all of Taiwan's annual corn imports of about 3.0 million tons. Prior to 1983/84, South Africa supplied about one-fourth of these imports. Improved South African production in 1985 and good prospects for increased production in 1986 will give South Africa almost 1.0 million tons of exportable corn for 1985/86 (October/September). As a result, South Africa is currently seeking to renew its grain agreement with Taiwan but trade sources indicate Taiwan is delaying any commitment to a new agreement until after a U.S. grain agreement has been worked out.

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DEPOSITORY

OILSEEDS AND PRODUCTS

India Increases Imported Oil Share for Vanaspati Production. In an effort to offset recent price increases for vanaspati and edible oils, India increased the allocation of imported edible oil in vanaspati production, effective April 1. The vanaspati industry can now meet up to 40 percent of its total requirements with imported oils. The previous rate was 30 percent. The percentage of imported edible oil in vanaspati production has varied greatly in the last year with the percentage being as high as 95 and as low as 30 percent. USDA forecasts 1985/86 India soybean oil imports at 250,000 tons compared with last year's level of 398,000 tons.

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Hungary Receives World Bank Loan To Expand Oilseed Crushing Capacity. Six oilseed crushing plants in Hungary will be modernized as part of a World Bank project this year. Capacity will be expanded from 700,000 to about 920,000 tons per year. When completed in approximately two years, crushing capacity for various oilseeds will be as follows: sunflowerseed (700,000 tons), rapeseed (120,000 tons) and soybeans (100,000 tons).

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LYNN K. GOLDSBROUGH, Editor, Tel. (202) 382-9442. Additional copies may be obtained from FAS Media and Public Affairs Branch, 5922-S, Washington, D.C. 20250. Tel. (202) 447-7937.

A67.42:

While the additional meal produced will probably fill domestic demand, the oil is expected to be exported. The U.S. agricultural counselor in Vienna expects Hungary to import 620,000 tons of soybean meal in 1986/87, with about one third of that total coming from the United States. Brazil is still the preferred source for soybean meal imports because of price advantages. However, Hungary has reportedly been disappointed with the quality of Brazilian soybean meal. The GSM-102 program has had a positive impact on increasing the U.S. market share in Hungary.

DAIRY, LIVESTOCK AND POULTRY

First Quarter Soviet Livestock Production Report Issued. In the first quarter of 1986, Soviet meat production in the socialized sector was up 7 percent compared with 1985, according to the U.S. agricultural attache in Moscow. This is a sharp drop from the 13-percent rise reported during January-February of this year. In March, total meat production was down 4 percent from year-earlier levels. Beef was down 6 percent in March, pork 2 percent and mutton 14 percent. Only poultry was up 5 percent.

The drop in red meat production in March allowed April 1 live animal inventories to rise. Cattle numbers were up 400,000 head from year-earlier levels, to 97.1 million but cow numbers were down by the same amount. Hog numbers were up 2 percent to 58.8 million head. Sheep and goat numbers were up 500,000 head to 132.6 million. Milk production was up 5 percent in the first quarter with per cow production up 7 percent.

The rise in sheep, goat and cattle numbers and milk output reflects improved forage supplies from a year ago. Pork production, when adjusted for inventory changes, appears to have improved sharply over last year in the first quarter, but the adjusted improvement in March seems to have slowed.

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New Zealand Milk Output To Rise. Milk production in New Zealand is expected to reach 8.2 million tons in 1985/86 (June-May), an increase of 3.7 percent from a year ago, according to the U.S. agricultural attache in Wellington. Favorable climatic conditions that promoted forage production, plus a 2-percent increase in the number of cows milked, are responsible for the increase.

Much of the increased milk production is being used to manufacture cheese, whole milk powder and casein. Output of each is expected to increase 10 percent or more. Butter output is expected to increase less than 2 percent while output of nonfat dry milk will decline about 6 percent. Production of butter and nonfat dry milk is being constrained because these products are relatively more difficult to market internationally.

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COTTON

Australia's Cotton Production To Be Slightly Below Last Year. According to the U.S. agricultural counselor in Canberra, the 1985/86 cotton crop in Australia is estimated at 1.05 million bales, slightly below last year's record 1.13 million bales. Overall weather conditions were excellent during the growing season. Adequate water supplies for irrigation resulted in increased plantings. Harvesting is under way and should be completed by July.

TOBACCO

Zimbabwe's Tobacco Output To Be Up. According to the U.S. agricultural counselor in Pretoria, the 1986 tobacco crop in Zimbabwe is estimated at 117,022 tons, 8 percent above last year's revised estimate of 108,711 tons. Grower-imposed controls introduced in 1981 to bolster prices continue in operation and have kept production at marketable levels. This season's crop benefited from hot, sunny weather in the latter stages of the growing season, more than compensating for wet, overcast weather during planting time.

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Selected International Prices

Item	April 29, 1986		Change from a week ago	A year ago
ROTTERDAM PRICES 1/	$ per MT	$ per bu.	$ per MT	$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	196.00
U.S. No. 2 DNS/NS: 14%....	176.00	4.79	+7.00	178.50
U.S. No. 2 S.R.W. 10/	120.00	3.26	+6.00	159.00
U.S. No. 3 H.A.D.....	167.00	4.55	+5.00	184.00
Canadian No. 1 A: Durum...	N.Q.	--	--	189.00
Feed grains:				
U.S. No. 3 Yellow Corn....	113.00	2.87	0	136.00
Soybeans and meal:				
U.S. No. 2 Yellow.....	213.70	5.81	+.30	241.50
Brazil 47/48% SoyaPellets	193.00	--	-2.00	151.00
U.S. 44% Soybean Meal....	188.00	--	+.50	148.00
U.S. FARM PRICES 3/				
Wheat.....	121.61	3.31	+4.78	124.55
Barley.....	--	--	--	85.89
Corn.....	90.16	2.29	+.39	104.72
Sorghum.....	84.22	3.82 2/	+1.76	97.66
Broilers.....	1147.94	--	+2.20	1042.56
EC IMPORT LEVIES				
Wheat 5/.....	171.10	4.65	+3.25	60.75
Barley.....	164.10	3.57	+3.30	59.05
Corn.....	153.10	3.89	+1.70	50.40
Sorghum.....	159.70	4.06	+3.30	67.00
Broilers 4/ 6/ 8/.....	N.Q.	--	--	--
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	192.20	5.39	+1.50	147.90
Bread wheat (min. quality)	210.95	5.74	+1.75	157.20
Barley and all other feed grains.....	198.20	--	+1.50	147.90
Broilers 4/ 6/.....	N.Q.	--	--	--
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	N.A.	N.A.	--	20.40
Barley.....	N.A.	N.A.	--	40.15
Broilers 4/ 6/ 8/.....	N.Q.	--	--	--

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Twelve-city average, wholesale weighted average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ July shipment. N.A.=None authorized. N.Q.=Not quoted. Note: Basis May delivery.

WR 18-86

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Foreign Agricultural Service

Washington, D.C. 20250

Weekly Roundup

WR 18-86

May 7, 1986

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

OILSEEDS AND PRODUCTS

Malaysian Palm Oil Exports Up From Earlier Estimates. Malaysia's palm oil exports during January-March 1986, at 967,000 metric tons, were up from earlier estimates of 884,000 tons, according to the U.S. agricultural attache in Kuala Lumpur. The sharp increase in exports, especially to Pakistan, has helped reduce marketing year (October-September 1985/86) second quarter ending stocks to 812,000 tons, down 34,000 tons from the first quarter level.

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Poland's Soybean Imports Forecast To Be Up in 1986/87. Poland's soybean imports are forecast to jump to 100,000 tons, up from the 1985/86 level of 35,000 tons, according to the U.S. agricultural attache in Warsaw. Domestic rapeseed production is expected to be smaller in 1986. Total imports of protein meal are forecast at 1.3 million tons, a slight increase of 5,000 tons over last year.

*****

Venezuela Gives Preferential Trade Treatment to Argentina and Uruguay. Venezuela has signed bilateral trade agreements with Argentina and Uruguay which possibly include oilseeds and products. To assist in making products from these countries more competitive, Venezuela is considering allowing the use of a preferential foreign exchange rate to cover shipping costs. Previously, Venezuela has only allowed a preferential rate of up to 10 percent of the f.o.b. value of the commodity, regardless of the origin. If the preferential exchange rate for full freight costs of shipments from Argentina and Uruguay is implemented, a substantial switch in import origins away from the United States could occur. Venezuela is an important market for U.S. soybeans, soybean meal, cottonseed oil, soybean oil and sunflowerseed oil; U.S. exports of oilseeds and products to Venezuela during fiscal 1985 totaled $286 million.

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TOBACCO

Spain Raises Prices of Some Tobacco Products. Under an order published March 20, 1986, Spain has increased the price of certain domestic tobacco products. The increase, an average of 10 percent, is 1.9 percent above the inflation rate in 1985. Increases for domestically produced dark cigarettes rose 13-15 percent, American-type or blond cigarettes went up only 8.8 percent on average, and the prices of imported products did not rise at all. The new price structure is expected to have a moderately negative effect on the overall consumption of domestically produced cigarettes. The price increase will accelerate the trend toward American-style cigarettes. Likewise, imported cigarettes will likely increase in market share. These changes should help increase the overall demand in Spain for American leaf, whether in the form of imported cigarettes or in domestically produced American-style cigarettes. Spain is the third largest customer for U.S. leaf exports, accounting for $135 million in sales in 1985.

SUGAR

World Sugar Output Forecast To Be Up. World centrifugal sugar production in 1986/87 is forecast at 100.5 million tons (raw basis), 4 percent above the revised 1985/86 estimate of 96.5 million. The largest regional increases are expected to occur in the Caribbean and Asia, each up 10 percent from 1985/86. World production of sugar from cane is forecast at 64.2 million tons and sugar from beets at 36.3 million tons. Unfavorable weather delayed the planting of beets in the European Community, especially in France. Moisture conditions in general are favorable in most major cane-producing countries.

Sugar production in the European Community, representing 14 percent of the world total, is forecast to decrease 4 percent below last year's outturn. Harvested area for sugarbeets is forecast at 1.88 million hectares in 1986, 1 percent less than last year. In other West European countries, production is expected to be down nearly 15 percent due to a sharp decline in Austria's beet area. In Eastern Europe, about the same amount of sugar is expected to be produced in 1986/87 as last season.

Sugar production in the Soviet Union is forecast at 8.5 million tons, 9 percent above the 1985/86 harvest which was reduced by disease problems. In 1985/86, there was a 750,000-ton decline in production in the Ukraine and a 50,000-ton drop in Moldavia. Soil moisture supplies this year were adequate for planting. The area under the intensive cropping technology (ICT) program now covers nearly three-fourths of the total seeded area. However, total area in sugarbeets has declined steadily since the 1970's and this trend is unlikely to change. Current forecasts do not consider possible impacts from the Chernobyl nuclear plant accident in the Ukraine.

In Brazil, the world's largest sugar producer, production is forecast to increase 7 percent to 8.8 million tons. The increase in world sugar prices will likely allow Brazil to shift some cane originally destined for alcohol into sugar production. Brazil's total area planted to sugarcane for 1986/87 is forecast at 3.9 million hectares. Roughly half of this area (1.9 million hectares) will be harvested for sugar production. The remaining cane (2.0 million hectares) will be used for fuel alcohol production, animal feed and liquor for human consumption.

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Sugar production in 1986/87 in Asia is forecast to increase in all six of the largest producing countries. India, the largest producer in this region, is expected to increase sugar output 14 percent to 8.7 million tons due to government policies that support expanded area. The area under cane is forecast to increase to about 3.3 million hectares compared with 3.1 million in 1985/86. After becoming the largest producer of centrifugal sugar in the world, India's production fell by 2 million tons in 1985/86 compared with the high of 9.7 million tons produced in 1981/82.

Sugar production in Indonesia is forecast to increase by 6 percent compared to last season estimate. An increase in harvested area and slightly higher cane yields are expected to boost production. Sugar production in the Philippines is forecast to increase slightly from the 1.4 million tons produced in 1985/86. In Thailand, production is forecast to reach 2.6 million tons, 2 percent above last season.

China is now the world's sixth largest producer of sugar. Sugar production has increased on the average of nearly 350,000 tons annually since 1981. In 1985, beet area harvested increased by 17 percent, but unfavorable weather resulted in a 16-percent decline in beet production. Production for 1986/87 is forecast at 5.2 million tons, 10 percent above the previous year. In 1986/87, sugar from beets is forecast to increase 31 percent while sugar from cane is forecast to increase 7 percent.

South Africa's sugar production is forecast to decline slightly due to reduced acreage. South Africa produced an all-time record crop in 1984/85 but efforts are being made by the government to curtail production.

Australia's sugar production in 1986/87 is forecast at 3.4 million tons, 2 percent above last year, but still slightly below the level of two years ago. Reduced fertilizer inputs, longer ratooning (multiple-year cropping) and less cultivation could have an impact on yields.

Regional sugar production estimates are as follows in million tons (raw basis):

	1985/86			1986/87		
Region	Beet	Cane	Total	Beet	Cane	Total
North America	2.78	6.35	9.14	2.9	6.4	9.4
South America	.38	12.83	13.22	.5	13.4	13.9
Central America	0	1.80	1.80	0	1.7	1.7
Caribbean	0	8.16	8.16	0	9.0	9.0
EC 12	14.42	.01	14.44	13.8	1/	13.8
Other West Europe	1.04	0	1.04	0.9	0	0.9
East Europe	5.47	0	5.47	5.5	0	5.5
USSR	7.80	0	7.80	8.5	0	8.5
North Africa	0.51	1.39	1.90	0.5	1.4	1.9
Other Africa	0	5.94	5.94	0	6.0	6.0
Middle East	1.89	0.20	2.09	2.1	0.2	2.3
Asia 2/	1.37	20.34	21.71	1.6	22.2	23.8
Oceania	0	3.81	3.81	0	3.8	3.8
Total 3/	35.68	60.83	96.51	36.3	64.2	100.5

1/ Less than 50,000 tons. 2/ Includes Khandsari sugar in India. 3/ May not add due to rounding.

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FRUIT

Southern Hemisphere Dried Prune Pack Down Marginally From Last Year. The 1985/86 dried prune pack in the Southern Hemisphere is estimated at 16,700 tons, marginally below last season's output. Argentina's production is expected to plummet 40 percent due to strong winds and frost during the crucial flowering and fruit settting stages. Current projections indicate that the shortfall in Argentina will be partly moderated by seasonally good packs in Australia and South Africa, and a 36-percent increase in Chile where newly bearing trees and young, high-yielding orchards are expected to boost output to a record 7,500 tons.

Dried prune production in selected countries of the Southern Hemisphere was as follows in 1,000 tons, packed weight basis:

	1983/84	1984/85	1985/86 1/
Argentina	6.5	6.7	4.0
Australia	2.7	3.0	3.2
Chile	4.5	5.5	7.5
South Africa	2.1	1.7	2.0
Total	15.8	16.9	16.7

1/ Preliminary.

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Southern Hemisphere Production of Raisins/Sultanas To Be Up. Southern Hemisphere production of raisins/sultanas during the 1985/86 season is estimated at 125,200 tons, 10 percent greater than the 1984/85 volume. Current assessments indicate packed weight tonnage will rise in all countries except Argentina, where vines sustained extensive wind damage early in the growing cycle.

Increased availability of multi-purpose grapes for drying, coupled with excellent weather conditions, are expected to yield an 82,000-ton Australian pack of light-colored, high-quality fruit. Production in South Africa is projected to rebound to a near-record 30,700 tons after two consecutive years of weather-reduced packs. With harvested area of suitable drying grapes projected to rise 6 percent, prospects appear excellent that Chile will produce another record pack this season.

Raisin/sultana production in selected countries of the Southern Hemisphere is as follows in 1,000 tons, packed weight basis:

	1983/84	1984/85	1985/86 1/
Argentina	7.0	5.8	5.0
Australia	83.0	72.9	82.0
Chile	4.0	6.2	7.5
South Africa	29.8	28.5	30.7
Total	123.8	113.4	125.2

1/ Preliminary.

EXPORT ENHANCEMENT PROGRAM

The status of USDA's Export Enhancement Program as of May 3, 1986, was as follows in metric tons:

Announced Initiatives		Date Announced	Quantity	Results/Status
30.	Algeria Barley	April 17, 1986	500,000	
29.	Morocco Dairy Cattle	April 16, 1986	4,000 head	
28.	Turkey Dairy Cattle	April 16, 1986	5,000 head	
27.	Egypt Dairy Cattle	April 16, 1986	6,000 head	
26.	Yemen Poultry Feed	April 14, 1986	150,000	
25.	Yugoslavia Wheat	April 10, 1986	200,000	
24.	Indonesia Dairy Cattle	April 9, 1986	7,500 head	
23.	Syria Wheat	April 8, 1986	700,000	
22.	Benin Wheat	April 7, 1986	45,000	
21.	Algeria Table Eggs	April 4, 1986	500 million	
20.	Iraq Dairy Cattle	April 4, 1986	6,500 head	
19.	Jordan Wheat	March 19, 1986	75,000	COMPLETE
18.	Tunisia Wheat	March 18, 1986	300,000	Sold 50,000
17.	Algeria Wheat Flour	Feb. 25, 1986	100,000	
16.	Algeria Semolina	Feb. 11, 1986	250,000	
15.	Philippines Wheat	Jan. 7, 1986	150,000	COMPLETE
14.	Zaire Wheat	Dec. 27, 1985	40,000	Sold 20,000
13.	Nigeria Barley Malt	Dec. 10, 1985	100,000	
12.	Iraq Wheat Flour	Dec. 9, 1985	150,000	Sold 75,000
11.	Egypt Poultry	Nov. 26, 1985	8,000	COMPLETE
		March 21, 1986	15,000	COMPLETE
10.	Zaire Wheat Flour	Nov. 18, 1985	64,000	Sold 45,000
9.	Philippines Wheat Flour	Nov. 15, 1985	100,000	Sold 50,000
8.	Jordan Rice	Nov. 8, 1985	40,000	Sold 22,700
7.	Turkey Wheat	Oct. 16, 1985	500,000	COMPLETE(506,600)
6.	Morocco Wheat	Sept. 30, 1985	1,500,000	Sold 860,000
5.	Yemen Wheat	Sept. 6, 1985	100,000	Sold 50,000
4.	Yemen Wheat Flour	Aug. 20, 1985	50,000	Sold 31,500
		April 14, 1986	100,000	
3.	Egypt Wheat	July 26, 1985	500,000	COMPLETE
		Oct. 30, 1985	500,000	Sold 197,500
2.	Egypt Wheat Flour	July 2, 1985	600,000	Sold 175,000
1.	Algeria Wheat	June 4, 1985	1,000,000	COMPLETE
		April 10, 1986	1,000,000	

Announced to Date	9,430,000 (grain equivalent) 500 million table eggs 23,000 tons frozen poultry 29,000 head dairy cattle
Sold to Date	3,381,500 wheat 516,200 flour, grain equivalent 23,000 frozen poultry 22,900 rice
Bonus	$181.1 million at book value (1,129,900 tons)

Selected International Prices

Item	May 6, 1986	Change from a week ago	A year ago
ROTTERDAM PRICES 1/	$ per MT	$ per bu.	$ per MT	$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	188.00
U.S. No. 2 DNS/NS: 14%....	164.50	4.48	-11.50	176.00
U.S. No. 2 S.R.W.	124.00	3.37	+4.00	151.50
U.S. No. 3 H.A.D.....	160.00	4.35	-7.00	180.00
Canadian No. 1 A: Durum...	N.Q.	--	--	189.50
Feed grains:				
U.S. No. 3 Yellow Corn....	114.00	2.90	+1.00	134.00
Soybeans and meal:				
U.S. No. 2 Yellow.....	216.70	5.90	+3.00	237.50
Brazil 47/48% SoyaPellets	192.00	--	-1.00	149.00
U.S. 44% Soybean Meal....	186.00	--	-2.00	145.00
U.S. FARM PRICES 3/				
Wheat.....	120.51	3.28	-1.10	124.18
Barley.....	63.38	1.38	+63.38	83.59
Corn.....	90.16	2.29	--	104.33
Sorghum.....	86.20	3.91	+1.98	96.78
Broilers.....	1120.38	--	-27.56	1083.78
EC IMPORT LEVIES				
Wheat 5/.....	172.35	4.69	+1.25	58.10
Barley.....	166.80	3.63	+2.70	57.15
Corn.....	152.05	3.86	-1.05	49.95
Sorghum.....	152.05	4.02	-1.45	64.60
Broilers 4/ 6/ 8/.....	318.00	--	-4.00	152.00
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	195.75	5.32	-2.45	142.05
Bread wheat (min. quality)	207.85	5.65	-3.10	151.05
Barley and all other feed grains.....	195.75	--	-2.45	142.05
Broilers 4/ 6/.....	1410.00	--	+18.00	1027.00
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	98.30	2.68	--	22.95
Barley.....	126.85	2.76	--	N.A.
Broilers 4/ 6/ 8/.....	232.00	--	-1.00	90.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. N.A.=None authorized. N.Q.=Not quoted. Note: Basis June delivery.

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World Production and Trade

United States Department of Agriculture
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Weekly Roundup
WR 19-86
May 14, 1986

MAY 28 1986

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

GRAIN AND FEED

U.S. Wheat Exports to Nigeria Could Drop. In an effort to conserve scarce foreign exchange and promote self-sufficiency, Nigeria may ban wheat imports in 1987. The United States has supplied most of Nigeria's total annual wheat imports over the past several marketing years (July/June) which have averaged about 1.6 million metric tons.

DAIRY, LIVESTOCK AND POULTRY

Japanese Milk Output Has Risen. Japan's milk production in 1985 was 7.4 million tons, 3 percent above 1984, according to the U.S. agricultural counselor in Tokyo. Milk cow numbers were unchanged in 1985 but declining feed costs gave producers the incentive to use more feed which boosted yields. With more milk production and a small decline in fluid use, production of butter and nonfat dry milk were each up roughly 15 percent.

The decline in fluid milk consumption during 1985, the first in 40 years, is viewed as very serious by producer associations because fluid sales are an important source of profit. As a result, these associations recently cut production quotas for individual producers by 3.1 percent. These lower quotas are expected to cause 1986 milk production to decline to the 1984 level.

FRUIT

Chile's Fruit Production Forecast at Record High. Chile's citrus production in 1986 is forecast at a record high level of 145,000 tons, up 4 percent from the 1985 harvest, according to the U.S. agricultural attache in Santiago. Lemon production is projected at 65,000 tons, down 7 percent from last year. Orange production is expected to total a record 80,000 tons, up 14 percent from last year. The high production levels are attributed to a continuing increase in numbers of bearing trees.

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A 67.42:

Australia's Citrus Production Forecast To Be Up. In Australia, citrus production in 1986 is forecast at a record 648,000 tons, up 3 percent from last year's 629,000-ton harvest, according to the U.S. agricultural counselor in Canberra. Orange production is forecast at a record 540.000 tons, 4 percent above a year-earlier and about one-third higher than production in the early 1980's.

TOBACCO

Unfavorable Prices Cause Drop in Italy's Tobacco Output. According to the U.S. agricultural counselor in Rome, the 1986 unmanufactured tobacco crop in Italy is forecast at 163,000 tons, 7 percent below the revised 1985 crop of 174,625 tons. Preliminary planting intentions indicate a significant reduction in planted area for both flue-cured and burley tobaccos as a result of unfavorable prices. Excessive rains have caused some delay in plant development and deferred transplanting.

FOREST PRODUCTS

U.S. Exports of Wood Products Show Strong Gains. U.S. exports of wood products during January-March 1986--at $721 million--showed strong increases across most major product categories. With U.S. exports up $75 million, or nearly 12 percent over the first quarter in 1985, purchasers of U.S. wood products responded to favorable trade opportunities afforded by a more competitive dollar. U.S. softwood lumber and softwood plywood exports for the first quarter of 1986 were up $27 million and $16 million, respectively, over the same period last year. Despite increased domestic demand for wood products, U.S. exports are expected to remain strong well into the current year.

Exports from the United States to major European Community members, most notably the United Kingdom, West Germany, the Netherlands, Italy and Belgium/Luxembourg, were well over last year's first quarter levels. U.S. hardwood product exports to the United Kingdom doubled chiefly on the strength of British imports of hardwood lumber.

Elsewhere, China's demand for softwood logs continues to grow, although it is likely to slacken as Chinese planners make decisions regarding the allocation of increasingly scarce hard currency reserves over a wide range of import needs.

U.S. imports of wood products during the first quarter of calendar 1986 were $1.195 billion, up 8.5 percent or $94 million over the same period last year. Canadian exports to the United States reached $858 million in the first quarter. Softwood lumber from Canada totaled $646 million or 3,374 million board feet. The United States imported hardwood plywood valued at $136 million mostly from Indonesia and Taiwan.

U.S. wood exports during January-March 1986 were as follows in million of dollars (f.a.s. value basis):

	Japan	Canada	China	Other	Total
Softwood logs	160.6	17.5	69.9	20.5	268.4
Softwood lumber	60.3	17.6	1.1	70.3	149.3
Softwood plywood	0.6	1.0	0.0	42.6	44.2
Hardwood logs	3.7	2.4	0.0	25.3	31.5
Hardwood lumber	10.1	17.6	0.0	50.0	77.6
Hardwood plywood	0.0	0.5	0.0	43.6	44.1
Other products	43.7	30.9	0.2	31.4	106.3
Total	279.0	87.5	71.2	283.7	721.4

Source: U.S. Department of Commerce.

U.S. AGRICULTURAL TRADE

Cumulative U.S. agricultural exports during October-March 1986 totaled $15.3 billion, down $3.5 billion (19 percent) from the same period a year earlier. Export volume during the first six months of fiscal year 1986 totaled 64.4 million tons, off approximately 16 percent from the 76.3 million tons exported during the first six months of fiscal year 1985.

Agricultural exports during March 1986 totaled $2.40 billion, down $324 million (12 percent) from March 1985, and 2 percent below the $2.45 billion exported during the previous month. Export volume for March 1986 totaled 9.3 million tons, down roughly 11 percent from the 10.5 million tons exported during March 1985, and 750,000 tons below the previous month.

Sharp year-to-year declines thus far in fiscal year 1986 have been in exports of wheat, corn, rice, grain sorghum, cotton, tobacco, soybean oil and sunflowerseed. These declines are due to drops in both unit value and volume from a year earlier. Such declines have been only partially offset by value gains in exports of soybean meal, livestock and products, dairy products, poultry products, corn gluten feed, seeds, wheat flour and some individual product groups within the horticultural products complex.

U.S. agricultural imports during October-March 1986 totaled $10.5 billion, up about 4 percent from the $10.1 billion imported during the same period of fiscal 1985. The overall net surplus of agricultural trade during October-March 1986 amounted to $4.7 billion, down 45 percent from a net surplus of $8.6 billion during the same period a year earlier.

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U.S. Agricultural Trade
(In billion dollars)

	FISCAL YEAR			OCT-MAR		
	1985 Actual	1986 Forecast	Percent Change	1985 Actual	1986 Actual	Percent Change
Exports	31.2	28.0	-10	18.7	15.2	-19
Imports	19.8	21.0	+6	10.1	10.5	+4
Trade balance 1/	11.4	7.0	-40	8.6	4.7	-45

1/ Totals and/or percent changes may differ due to rounding.

EXPORT ENHANCEMENT PROGRAM

The status of USDA's Export Enhancement Program remains unchanged from last week.

Selected International Prices

Item	May 13, 1986		Change from a week ago	A year ago
ROTTERDAM PRICES 1/	$ per MT	$ per bu.	$ per MT	$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	186.00
U.S. No. 2 DNS/NS: 14%....	167.50	4.56	+3.00	168.50
U.S. No. 2 S.R.W. 10/	127.00	3.46	+3.00	150.00
U.S. No. 3 H.A.D.....	172.00	4.68	+12.00	178.00
Canadian No. 1 A: Durum...	N.Q.	--	--	189.00
Feed grains:				
U.S. No. 3 Yellow Corn....	115.00	2.92	+1.00	132.50
Soybeans and meal:				
U.S. No. 2 Yellow.....	214.80	5.85	-1.90	236.00
Brazil 47/48% SoyaPellets	194.00	--	+2.00	146.00
U.S. 44% Soybean Meal....	187.00	--	+1.00	146.00
U.S. FARM PRICES 3/				
Wheat.....	122.71	3.34	+2.20	123.45
Barley.....	67.06	1.46	+3.67	83.59
Corn.....	92.91	2.31	+2.76	103.54
Sorghum.....	89.07	4.04	+3.09	97.66
Broilers.....	1137.13	--	+16.75	1128.53
EC IMPORT LEVIES				
Wheat 5/.....	175.15	4.77	+2.80	63.60
Barley.....	166.05	3.61	-.75	60.65
Corn.....	153.60	3.90	+1.55	54.80
Sorghum.....	153.60	3.90	+2.70	66.90
Broilers 4/ 6/ 8/.....	N.Q.	--	N.Q.	N.Q.
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	199.75	5.43	+4.00	142.05
Bread wheat (main quality)	212.15	5.77	+4.30	150.90
Barley and all other feed grains	199.75	--	+4.00	142.05
Broilers 4/	N.Q.	--	N.Q.	N.Q.
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	N.A.	--	--	N.A.
Barley.....	127.85	2.78	+1.00	40.00
Broilers 4/ 6/ 8/.....	N.Q.	--	N.Q.	N.Q.

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ July. N.A.=None authorized. N.Q.=Not quoted. Note: Basis June delivery.

COMMODITIES	UNIT	CUMULATIVE TO DATE QUANTITY 10/84-03/85	CUMULATIVE TO DATE QUANTITY 10/85-03/86	% DIF	CUMULATIVE TO DATE VALUE 10/84-03/85	CUMULATIVE TO DATE VALUE 10/85-03/86	% DIF	CURRENT MONTH (MARCH) QUANTITY 1985	CURRENT MONTH (MARCH) QUANTITY 1986	% DIF	CURRENT MONTH (MARCH) VALUE 1985	CURRENT MONTH (MARCH) VALUE 1986	% DIF
GRAINS AND FEEDS													
WHEAT & WHEAT FLOUR.	MT	17110.049	12458.468	-27	2.637.401	1.739.140	-34	1679.833	1937.011	+15	267.881	275.662	+3
WHEAT	MT	16776.037	11915.194	-29	2.560.266	1.644.566	-36	1577.668	1834.142	+16	243.880	255.216	+5
WHEAT FLOUR	MT	334.012	544.275	+63	77.135	94.574	+23	102.165	102.869	+1	24.001	20.446	-15
RICE	MT	942.367	798.815	-15	330.433	296.191	-10	190.361	113.070	-41	56.608	42.169	-26
COARSE GRAINS	MT	34361.162	25108.653	-27	4.302.762	2.694.507	-37	5017.224	2643.733	-47	629.863	292.954	-53
CORN	MT	29115.755	22634.038	-22	3.683.689	2.457.108	-33	4329.572	2471.033	-43	546.131	274.908	-50
GRAIN SORCHUM	MT	4361.598	2296.685	-47	503.368	218.775	-57	660.885	168.982	-74	79.520	17.600	-78
BARLEY	MT	874.470	167.716	-81	114.541	17.174	-85	25.555	25	-100	3.605	3	-100
OATS	MT	4.209	8.058	+92	593	1.243	+109	987	3.635	+268	185	437	+136
RYE	MT	5.130	2.112	-59	571	207	-64	221	58	-74	22	6	-74
FEEDS & FODDERS 1/	MT	3283.313	3944.015	+20	501.615	588.252	+17	652.017	774.151	+19	93.646	118.407	+26
PULSES	MT	252.574	274.438	+9	117.331	132.350	+13	36.444	37.087	+2	18.003	19.451	+8
BEANS, DRIED	MT	163.294	188.567	+15	83.795	90.688	+8	22.686	27.148	+20	11.728	14.232	+21
PEAS, DRIED	MT	72.576	61.387	-16	23.132	20.771	-10	10.270	6.991	-32	3.638	2.653	-27
LENTILS, ETC., DRI	MT	16.304	26.484	+62	10.404	20.891	+101	3.488	2.948	-15	2.639	2.566	-3
OTHER	XXX				184.487	171.853	-7				31.060	27.474	-12
TOTAL	XXX				8.074.030	5.622.331	-30				1097.062	776.116	-29
OILSEEDS & PRODUCTS													
TOTAL OILSEEDS	MT	12447.762	13833.662	+11	3.080.556	2.984.772	+3	1696.742	2609.002	+54	407.169	529.105	+30
SOYBEANS	MT	11482.177	13462.877	+17	2.709.244	2.796.705	+3	1628.240	2415.254	+48	375.776	501.918	+34
SUNFLOWER SEED	MT	705.172	142.259	-80	216.074	39.953	-82	29.128	17.255	-41	10.560	4.202	-60
PEANUTS	MT	180.983	204.851	+13	135.803	140.067	+3	28.510	34.527	+23	17.533	22.057	+26
OTHER OILSEEDS	MT	79.430	23.675	-70	19.435	8.047	-59	10.864	1.566	-86	3.300	888	-73
SOYBEAN MEAL	MT	2476.775	3180.762	+28	485.476	634.016	+31	377.707	589.087	+56	73.874	124.284	+68
OTHER MEAL	MT	87.686	69.456	-21	11.813	9.179	-22	5.796	3.866	-33	764	570	-25
TOTAL VEG. OILS	MT	802.036	593.454	-26	589.809	365.897	-38	128.227	106.028	-17	91.904	61.186	-33
SOYBEAN OIL	MT	478.311	232.481	-51	341.180	137.682	-60	83.860	42.107	-50	58.931	22.269	-62
SUNFLOWER OIL	MT	89.288	134.045	+50	60.240	75.758	+26	6.974	21.455	+208	4.478	11.564	+158
COTTONSEED OIL	MT	128.433	94.954	-26	90.251	54.457	-40	17.108	14.795	-14	10.106	8.522	-16
OTHER VEG. OILS	MT	106.004	131.974	+24	98.138	98.000	---	20.285	27.671	+36	18.389	18.831	+2
OTHER	XXX				52.322	51.022	-2				9.466	9.721	+3
TOTAL	XXX				4.219.974	4.044.887	-4				583.177	724.867	+24
SEEDS	MT	133.023	135.252	+2	219.336	243.315	+11	23.255	20.577	-12	36.151	31.818	-12
COTTON & LINTERS													
RAW COTTON 2/	STB	3782.309	1217.209	-68	1.288.733	410.133	-68	661.707	188.236	-72	208.369	63.614	-69
LINTERS 2/	STB	105.201	92.216	-12	14.313	7.896	-45	17.349	18.720	+8	1.549	1.507	-3
SILK	STB	241	205	-15	281	79	-72	102		-100	23		-100
TOTAL	STB	3887.751	1309.630	-66	1.303.327	418.107	-68	679.158	206.956	-70	209.942	65.121	-69

U.S. AGRICULTURAL EXPORTS TO ALL DESTINATIONS
OCTOBER 1984 - MARCH 1986

COMMODITIES	UNIT	CUMULATIVE TO DATE QUANTITY 10/84-03/85	CUMULATIVE TO DATE QUANTITY 10/85-03/86	% DIF	CUMULATIVE TO DATE VALUE 10/84-03/85	CUMULATIVE TO DATE VALUE 10/85-03/86	% DIF	CURRENT MONTH (MARCH) QUANTITY 1985	CURRENT MONTH (MARCH) QUANTITY 1986	% DIF	CURRENT MONTH (MARCH) VALUE 1985	CURRENT MONTH (MARCH) VALUE 1986	% DIF
TOBACCO UNMFG.													
BURLEY	MT	24.120	22.068	-9	176.540	140.991	-20	11.157	11.530	+3	86.047	73.954	-14
FLUE-CURED	MT	115.597	95.557	-17	785.410	618.959	-21	7.191	5.270	-27	48.042	31.221	-35
FIRE-SUN CURED	MT	2.871	5.545	+93	14.697	25.178	+71	421	810	+92	2.220	3.739	+68
MARYLAND	MT	1.087	1.043	-4	7.418	6.877	-7	50	230	+362	345	1.471	+326
CIGAR	MT	700	709	+1	16.536	17.582	+6	69	96	+39	1.742	2.562	+47
OTHER LEAF	MT	2.019	4.543	+125	15.379	31.322	+104	176	841	+379	1.486	6.237	+320
STEMS	MT	24.596	21.424	-13	34.105	42.398	+24	2.814	3.862	+37	6.291	12.987	+106
TOTAL	MT	170.990	150.891	-12	1.050.089	883.307	-16	21.877	22.638	+3	146.172	132.171	-10
POULTRY PRODUCTS													
MEAT													
BROILER	MT	97.997	104.675	+7	106.137	107.482	+1	15.066	21.175	+41	15.403	21.208	+38
TURKEY	MT	7.001	6.392	-9	9.433	7.713	-18	712	654	-8	964	750	-22
OTHER POULTRY MEAT	MT	4.656	4.095	-12	5.256	4.605	-13	551	525	-11	600	641	+7
EGGS	DOZ	14.075	12.092	-14	19.985	16.362	-18	2.326	1.908	-15	3.591	2.952	-18
EGG PRODUCTS	MT	5.152	10.780	+109	9.607	16.776	+75	734	2.193	+199	1.517	2.955	+95
OTHER	XXX				52.808	71.151	+35				8.797	22.923	+161
TOTAL	XXX				203.264	224.100	+10				30.870	51.429	+67
DAIRY PRODUCTS													
NON-FAT DRY MILK	MT	134.916	162.571	+20	84.531	96.176	+14	35.223	29.978	-15	21.608	17.492	-19
CHEESE	MT	6.706	7.167	+7	13.456	13.672	+2	1.281	496	-61	2.600	1.766	-32
BUTTER	MT	12.854	20.511	+60	19.484	31.652	3	1.241	2.427	+96	2.344	3.779	+61
OTHER	XXX				61.216	67.313	+10				13.605	16.292	+20
TOTAL	XXX				178.686	208.853	+17				40.158	39.329	-2
LIVESTOCK & PRODS.													
MEAT	MT	194.785	198.652	+2	422.459	450.481	+7	33.513	28.662	-14	74.067	72.917	-2
BEEF	MT	55.141	59.200	+7	240.177	255.865	+7	10.238	10.032	-2	45.268	45.283	---
PORK	MT	22.918	15.148	-34	40.829	39.643	-3	3.850	1.917	-50	5.525	5.296	-4
VARIETY	MT	116.726	124.304	+6	141.453	154.973	+10	19.425	16.713	-14	23.274	22.328	-4
TALLOW	MT	566.332	653.283	+15	289.247	244.203	-16	77.404	73.783	-5	38.194	25.831	-32
LARD	MT	23.152	26.380	+14	16.300	13.792	-15	3.499	4.142	+18	2.240	2.044	-9
LIVE CATTLE	NO	66.047	53.303	-19	54.188	64.660	+19	11.996	5.684	-53	11.001	5.808	-47
CATTLE HIDES	XXX				531.408	549.640	+3				87.374	99.016	+13
FURSKINS	NO	8551.521	8181.443	-4	141.608	132.635	-6	2032.080	2106.684	+4	34.062	34.387	+1
OTHER	XXX				285.035	345.716	+21				53.858	39.905	-26
TOTAL	XXX				1.743.246	1.801.130	+3				300.836	279.909	-7

U.S. AGRICULTURAL EXPORTS TO ALL DESTINATIONS
OCTOBER 1984 - MARCH 1986

COMMODITIES	UNIT	CUMULATIVE TO DATE QUANTITY 10/84-03/85	CUMULATIVE TO DATE QUANTITY 10/85-03/86	% DIF	CUMULATIVE TO DATE VALUE 10/84-03/85	CUMULATIVE TO DATE VALUE 10/85-03/86	% DIF	CURRENT MONTH (MARCH) QUANTITY 1985	CURRENT MONTH (MARCH) QUANTITY 1986	% DIF	CURRENT MONTH (MARCH) VALUE 1985	CURRENT MONTH (MARCH) VALUE 1986	% DIF
HORTICULTURAL PROD.													
TREE NUTS	MT	122.116	133.033	+9	275.259	284.476	+3	13.511	16.457	+22	36.343	41.107	+13
FRUIT					574.397	567.763	-1				94.759	101.399	+7
FRESH, CITRUS	MT	386.838	395.066	+2	199.577	211.914	+6	82.408	91.698	+11	43.334	44.649	+3
FRESH, NON-CITRUS	MT	240.870	214.658	-11	159.888	156.988	-2	19.814	23.864	+20	14.250	19.573	+37
CANNED	MT	33.620	28.687	-15	34.096	29.240	-14	4.413	5.890	+33	4.598	5.732	+25
DRIED	MT	60.520	68.072	+12	86.325	95.811	+11	11.536	13.420	+16	14.723	18.541	+26
JUICES	CAL	58.091	48.041	-17	94.511	73.810	-22	12.630	9.123	-28	17.854	12.904	-28
VEGETABLES,FRESH	MT	313.414	258.407	-18	121.264	111.193	-8	44.034	48.466	+10	18.161	20.976	+16
VEG., PREP., PRES	MT	151.112	166.795	+10	139.758	140.054	---	29.328	32.548	+11	26.641	26.176	-2
OTHER	XXX				208.311	216.690	+4				38.118	37.082	-3
TOTAL	XXX				1.318.987	1.320.176	---				214.022	226.741	+6
SUGAR & TROP. PRODS.													
SUGAR & SWEETENERS	XXX				69.560	62.139	-11				10.562	13.805	+31
COFFEE	MT	6.716	6.846	+2	49.657	48.439	-2	1.097	1.057	-4	7.488	7.340	-2
FLAVORING SYRUPS	XXX				81.116	80.233	-1				15.037	14.887	-1
OTHER	XXX				198.432	195.510	-1				32.322	36.040	+12
TOTAL	XXX				398.766	386.321	-3				65.409	72.072	+10
GRAND TOTAL	XXX				18.709.704	15.152.528	-19				2723.799	2399.573	-12

NOTE: VALUE UNITS ARE IN THOUSANDS OF DOLLARS. GALLON UNITS ARE IN THOUSANDS OF UNITS. DOZEN UNITS ARE IN THOUSANDS OF UNITS.
XXX INDICATES QUANTITY TOTALS ARE NOT MEANINGFUL WHERE UNITS OF MEASURE DIFFER.
--- INDICATES CHANGE LESS THAN 1 PERCENT. *** INDICATES CHANGE GREATER THAN 999 PERCENT.

1/ INCLUDES BY-PRODUCTS.
2/ STATISTICAL BALE = 480 LBS.

SOURCE: U.S. CENSUS DATA (UNADJUSTED).

TRADE AND ECONOMIC INFORMATION DIVISION
TRADE AND MARKETING BRANCH, IAS, FAS, USDA

U.S. AGRICULTURAL IMPORTS FROM ALL SOURCES
OCTOBER 1984 - MARCH 1986

COMMODITIES	UNIT	CUMULATIVE TO DATE QUANTITY 10/84-03/85	CUMULATIVE TO DATE QUANTITY 10/85-03/86	% DIF	CUMULATIVE TO DATE VALUE 10/84-03/85	CUMULATIVE TO DATE VALUE 10/85-03/86	% DIF	CURRENT MONTH (MARCH) QUANTITY 1985	CURRENT MONTH (MARCH) QUANTITY 1986	% DIF	CURRENT MONTH (MARCH) VALUE 1985	CURRENT MONTH (MARCH) VALUE 1986	% DIF
GRAINS AND FEEDS													
WHEAT & PRODUCTS	MT	148,461	238,393	+61	165,048	205,338	+24	24,926	28,303	+14	28,066	31,149	+11
BARLEY & MALT	MT	101,642	106,881	+5	18,802	16,643	-11	17,228	8,397	-51	3,249	1,578	-51
OTH COARSE GRAINS 1/	MT	345,688	292,488	-15	43,061	31,808	-27	60,130	46,844	-22	7,601	4,821	-37
PULSES	MT	17,546	16,020	-9	10,039	8,794	-12	3,421	2,879	-16	1,811	1,356	-25
OTHER	XXX				177,636	200,812	+13				26,574	30,689	+15
TOTAL	XXX				415,186	463,395	+12				67,301	69,594	+3
OILSEEDS & PRODUCTS													
OILSEEDS	MT	106,589	72,647	-32	45,648	28,211	-43	30,804	23,733	-23	10,943	8,751	-38
COCONUT OIL	MT	179,333	287,915	+61	159,392	127,727	-20	30,398	63,452	+109	23,689	24,477	+3
PALM OIL	MT	100,438	160,705	+60	62,036	68,811	+11	19,045	27,822	+46	12,115	11,116	-8
OTHER VEG. OILS	MT	105,986	150,381	+42	109,725	106,341	-3	15,909	31,121	+96	15,724	18,776	+19
OTHER	MT	100,761	89,404	-11	32,809	25,688	-22	22,616	13,879	-39	5,853	4,623	-21
TOTAL	MT	593,107	761,052	+28	409,611	354,777	-13	118,771	160,006	+35	68,325	65,743	-4
SEEDS	MT	23,202	35,073	+51	40,799	66,651	+63	3,871	5,893	+52	6,470	11,439	+77
COTTON.LINTERS.SILK	MT	18,119	19,797	+9	12,822	13,493	+5	3,499	3,693	+6	2,210	961	-57
TOBACCO UNMFG.													
CIGARETTE LEAF	MT	70,191	79,184	+13	234,121	258,683	+10	10,527	15,734	+49	35,119	48,176	+37
CIGAR LEAF	MT	4,025	2,190	-46	14,479	10,627	-27	212	486	+129	1,519	2,851	+88
SCRAP & STEMS	MT	17,986	14,791	-18	22,045	18,974	-14	1,679	2,120	+26	3,229	3,245	---
TOTAL	MT	92,201	96,165	+4	270,644	288,284	+7	12,418	18,340	+48	39,867	54,272	+36
POULTRY PRODUCTS													
FEATHERS & DOWN	MT	3,621	3,850	+6	32,919	28,550	-13	601	622	+4	7,527	4,286	-43
POULTRY MEAT	MT	1,339	1,817	+36	4,683	6,472	+38	179	107	-40	680	656	-4
EGGS & PRODUCTS	XXX				5,886	8,135	+38				1,193	1,074	-10
OTHER	XXX				2,400	3,943	+64				546	845	+55
TOTAL	XXX				45,888	47,100	+3				9,947	6,861	-31

U.S. AGRICULTURAL IMPORTS FROM ALL SOURCES
OCTOBER 1984 - MARCH 1986

COMMODITIES	UNIT	CUMULATIVE TO DATE QUANTITY 10/84-03/85	QUANTITY 10/85-03/86	% DIF	VALUE 10/84-03/85	VALUE 10/85-03/86	% DIF	CURRENT MONTH (MARCH) QUANTITY 1985	QUANTITY 1986	% DIF	VALUE 1985	VALUE 1986	% DIF
DAIRY PRODUCTS													
CHEESE, QUOTA	MT	56.038	59.030	+5	152.068	160.094	+5	6.505	7.855	+21	18.321	21.663	+18
CHEESE, NON-QUOTA	MT	14.339	13.880	-3	40.418	47.375	+17	2.322	1.622	-30	6.084	5.860	-4
CASEIN	MT	52.185	48.742	-7	105.640	93.574	-11	10.105	9.245	-9	20.035	17.780	-11
OTHER	XXX				12.384	13.215	+7				1.781	2.113	+19
TOTAL	XXX				310.510	314.258	+1				46.221	47.416	+3
LIVESTOCK & PRODS.													
WOOL	MT	18.570	21.433	+13	72.723	79.393	+9	2.724	3.469	+27	10.314	13.025	+26
MEAT	MT	516.539	550.699	+7	1053.272	1101.683	+5	93.951	89.433	-5	190.530	179.685	-6
BEEF AND VEAL	MT	293.136	325.629	+11	582.302	603.800	+4	43.584	50.716	+16	89.349	94.407	+6
PORK	MT	207.955	202.872	-2	436.564	442.498	+1	47.839	34.855	-27	95.317	76.733	-19
OTHER (EDIBLE)	MT	15.448	22.198	+44	34.406	55.385	+61	2.528	3.862	+53	5.864	8.545	+46
LIVE CATTLE	NO	314.679	761.747	+142	138.267	253.696	+83	71.358	103.300	+45	32.957	37.560	+14
OTHER LIVESTOCK	NO	937.088	344.268	-63	202.211	134.880	-33	215.263	34.888	-84	33.244	11.498	-65
HIDES & SKINS	XXX				33.310	32.535	-2				5.888	6.124	+4
FURSKINS	XXX				106.556	79.577	-25				35.664	16.688	-53
OTHER	XXX				72.694	80.046	+11				14.135	14.856	+5
TOTAL	XXX				1.679.032	1.762.410	+5				322.712	279.416	-13
HORTICULTURAL PROD.													
FRUIT	MT				1.258.640	1.194.270	-5				253.894	251.131	-1
FRESH	MT	1769.466	1953.666	+10	510.400	591.874	+16	451.279	414.608	-8	140.944	139.050	-1
PREP. & PRES.	MT	225.374	268.745	+19	197.361	222.316	+13	52.240	60.943	+17	42.123	48.519	+15
JUICES	LIT	1888.931	1546.282	-18	550.879	380.078	-31	260.329	281.893	+8	70.827	63.562	-10
VEGETABLES, FR/FZ	MT	904.135	708.836	-22	398.391	340.123	-15	303.118	146.195	-52	145.244	65.912	-55
VEG., PREP., PRES.	MT	239.595	275.762	+15	205.528	225.807	+10	47.330	52.763	+11	44.131	41.613	-6
TREE NUTS	XXX				159.610	210.629	+32				24.380	22.801	-6
WINE	LIT	273.068	253.710	-7	478.878	546.404	+14	38.802	34.235	-12	64.724	74.988	+16
OTHER ALCOHOLIC BEV.	LIT	427.988	471.783	+10	275.923	334.494	+21	80.297	88.212	+11	50.728	65.638	+29
NURSERY PRODUCTS	XXX				162.282	159.357	-2				33.804	23.580	-30
OTHER	XXX				175.779	203.509	+16				36.936	33.552	-9
TOTAL	XXX				3.115.033	3.214.594	+3				653.841	579.214	-11

U.S. AGRICULTURAL IMPORTS FROM ALL SOURCES
OCTOBER 1984 - MARCH 1986

COMMODITIES	UNIT	CUMULATIVE TO DATE						CURRENT MONTH (MARCH)					
		QUANTITY			VALUE			QUANTITY			VALUE		
		10/84-03/85	10/85-03/86	% DIF	10/84-03/85	10/85-03/86	% DIF	1985	1986	% DIF	1985	1986	% DIF
SUGAR & TROP. PRODS.													
SUGAR, RAW & REFINED	MT	1526.936	1042.821	-46	543.567	347.867	-36	265.207	196.955	-26	101.030	62.690	-38
SWEETENERS	MT	750.725	626.976	-16	180.062	178.704	-1	112.665	118.313	+5	29.891	28.187	-6
COCOA & PRODUCTS	MT	312.837	268.226	-14	728.884	661.345	-9	64.721	41.830	-35	149.324	105.534	-29
COFFEE	MT	556.397	637.655	+15	1,620.358	2,103.627	+30	105.365	103.209	-2	307.528	418.766	+36
ESSENTIAL OILS	MT	5.354	6.535	+22	45.844	59.923	+20	705	682	-3	10.232	8.238	-19
TEA	MT	41.506	42.588	+3	102.880	68.629	-33	7.027	9.852	+40	16.103	14.022	-13
SPICES	MT	87.232	78.919	-10	138.258	152.772	+10	12.536	14.678	+13	22.256	35.143	+58
FIBERS	MT	22.038	27.656	+25	17.567	16.424	-7	3.092	4.085	+32	2.873	2.591	-10
RUBBER & ALLIED GUMS	MT	427.172	430.171	+1	381.078	316.945	-17	89.856	79.235	-12	74.717	61.020	-18
OTHER	XXX				69.205	72.296	+4				16.104	11.736	-27
TOTAL	XXX				3,831.704	3,978.533	+4				730.057	747.928	+2
GRAND TOTAL	XXX				10,131.228	10,497.495	+4				1946.951	1862.844	-4

NOTE: VALUE UNITS ARE IN THOUSANDS OF DOLLARS. LITER UNITS ARE IN THOUSANDS OF UNITS.
XXX INDICATES QUANTITY TOTALS ARE NOT MEANINGFUL WHERE UNITS OF MEASURE DIFFER.
--- INDICATES CHANGE LESS THAN 1 PERCENT. *** INDICATES CHANGE GREATER THAN 999 PERCENT.

1/ INCLUDES BY-PRODUCTS.

SOURCE: U.S. CENSUS DATA (UNADJUSTED).

TRADE AND ECONOMIC INFORMATION DIVISION
TRADE AND MARKETING BRANCH, IAS, FAS, USDA

*U.S. GOVERNMENT PRINTING OFFICE: 1986-490-917:20479/FAS

WR 20-86

World Production and Trade

United States Department of Agriculture

Foreign Agricultural Service

Washington, D.C. 20250

Weekly Roundup
WR 20-86

May 21, 1986

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

OILSEED AND PRODUCTS

Soviet Oilseed Forecast Is Up for 1986/87. The U.S. agricultural attache in Moscow forecasts 1986/87 Soviet oilseed production at 11.1 million metric tons, up from 10.8 million tons this year. Most of the growth will be in sunflowerseed production, which is forecast at 5.4 million tons. Cottonseed production is forecast at 4.875 million tons. These crops comprise over 90 percent of total oilseed production. To stimulate sunflowerseed and soybean production, the government will provide an oilseed meal and mixed feed bonus for specified deliveries to the state. Beginning in 1987, an additional premium will be provided for soybean deliveries above the 1981-85 delivery average. If these incentives are effective, they may benefit the livestock industry by increasing feed supplies.

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Soviet Meal Use May Rise Again in 1986/87. Protein meal use in the Soviet Union in 1986/87 could approach 7.8 million tons, according to the U.S. agricultural attache. Emphasis on animal production and new directions instructing the State Committee for the Agro-Industrial Complex to introduce food expenditure norms in 1987 to ensure a reduction in grain expenditure per unit of livestock production should boost meal demand. Historically, Soviet crush has been geared to oil production. This appears to be changing as demand for balanced feed rations to stimulate meat and milk production has resulted in greater emphasis on meal output. The Soviets appear to have made a decision to utilize crush facilities more fully rather than depend heavily on oilseed product imports. However, the levels and mix of oilseed and meal imports will depend upon the size of the domestic crop and effective crush capacity available, which is estimated to be roughly 12 million tons annually.

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LYNN K. GOLDSBROUGH, Editor, Tel. (202) 382-9442. Additional copies may be obtained from FAS Media and Public Affairs Branch, 5922-S, Washington, D.C. 20250. Tel. (202) 447-7937.
OFAS-87 5/13/86)

A67.42:

India Permits Soybean Oil/Peanut Oil Blending. In a major policy initiative that may promote consumption of liquid soybean oil, India has permitted private processors to blend refined soybean oil with peanut oil. Previously, only government agencies were allowed to blend vegetable oils. India's policy change could lead to reduced regional preferences for various oils and increased use of soybean oil. USDA is currently estimating India's 1985/86 soybean oil imports at 250,000 tons, and total vegetable oil imports at 1.1 million tons.

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Canada Targets United States for Rapeseed Product Exports. Canada is now targeting fewer markets for rapeseed product promotion, but in those markets it is carrying out a more sophisticated market development strategy. This includes feeding trials, trade missions with show displays, advertising and publications. Targeted products and markets include rapeseed in Mexico, rapeseed oil and meal in the United States and rapeseed meal in the Pacific Rim. The U.S. agricultural counselor in Ottawa forecasts Canada's 1986/87 rapeseed meal exports at 350,000 tons and rapeseed oil at 235,000 tons, increases of 6 and 9 percent, respectively, from last year.

DAIRY, LIVESTOCK AND POULTRY

World Dairy Production. Production projections in the following report have not been adjusted to reflect the possible impacts of the Soviet nuclear accident at Chernobyl because of a lack of specific information.

World milk production totaled an estimated 417 million tons in 1985, up 1 percent despite control programs in many developed countries. The major output increase occurred in the United States with an increase of nearly 4 million tons. Milk output declined in both the European Community (EC-10) and Eastern Europe. For 1986, milk production is expected to increase 3 million tons, largely due to continued expansion in the USSR.

World production of butter and nonfat dry milk declined in 1985. Production of cheese and casein increased 3 and 4 percent, respectively. In developed countries, manufacturers continued to emphasize cheese rather than butter production. In 1986, the unchanged level of milk production in the EC and United States will tend to limit growth in output of dairy products at the global level.

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Cow Numbers and Milk Production in Selected Countries

	----Cow Numbers------			--Milk Production--		
	1984	1985 1/	1986 2/	1984	1985 1/	1986 2/
	----Million Head------			------Million Tons-----		
United States	10.8	11.0	10.7	61.4	65.2	65.3
Canada	1.7	1.7	1.7	8.2	8.2	8.1
EC-10	25.8	24.8	24.2	109.2	107.9	107.9
Eastern Europe	15.5	15.2	14.9	43.7	43.5	42.3
USSR	43.9	43.6	42.8	97.9	98.2	100.0
China	0.7	0.9	1.0	2.2	2.5	2.8
Japan	1.1	1.1	1.1	7.1	7.4	7.2
Australia 3/	1.8	1.8	1.8	6.1	6.2	6.2
New Zealand 4/	2.1	2.2	2.2	7.6	7.9	8.2
Total of 38 Countries	164.8	163.4	161.9	413.1	417.4	420.3

1/Preliminary. 2/Forecast. 3/Year ending June 30. 4/Year ending May 31.

In the United States, milk output increased sharply in 1985 as farmers responded to low feed prices and the end of the dairy diversion program. For 1986, the whole herd buyout program is expected to keep production near year-earlier levels. Canada's milk production is expected to decline slightly in 1986 because the quota for industrial production was cut for 1985/86 (August-July) and the penality for over-quota deliveries was increased.

Milk output in the EC-10 declined about 1.5 percent in 1985 as producers continued to adjust production to avoid exceeding quotas and subjecting themselves to payment of super levies. Output in 1986 is not expected to decline since the quotas remain the same, and some reports indicate that efficient producers can make a profit even with over-quota deliveries. As part of its overall farm price program, the EC announced 1986/87 milk prices will be kept the same in terms of European Community Units. Also, delivery quotas will be reduced an additional 2 percent for 1987/88 and 1 percent in 1988/89.

Milk production in Eastern Europe was down slightly in 1985, and a 2.5-percent decline is expected in 1986. These declines are due principally to developments in Poland where many small producers are getting out of production because of lack of profits. The same problem also is reportedly affecting Yugoslavia and Hungary.

Milk cow numbers were down 1 percent in the Soviet Union in 1985; however, increased productivity due to larger feed supplies during the last half of 1985 and continued improvement in management and genetics facilitated a small increase in production. For 1986, another decline in cow numbers and another increase in milk production is expected.

Milk production in China continues to show rapid expansion. Most of China's growth is the result of expansion by individuals with less than 10 cows. In Japan, milk output is expected to turn down because demand for fluid milk declined in 1985 and that category of use represents an important part of the profitability in dairying.

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Australia's milk production expanded slightly in 1985, adding to the country's surplus. Limited prospects for profitable production are expected to prevent further expansion in 1986. In contrast, limited prospects in New Zealand for alternative use of resources now used for dairy, as well as very favorable conditions for grass and forage production, indicates production will expand again in 1986.

World butter production declined about 1 percent in 1985 due mainly to lower EC-10 production resulting from lower milk production and higher cheese output. EC-10 production of butter is expected to expand slightly in 1986. With increased milk production, U.S. butter production expanded over 10 percent in 1985, but 1986 output should be about the same as that of 1985. In the USSR, butter output is expanding at about the same rate as the increase in milk production.

Production of Dairy Products in Selected Countries
1,000 metric tons

	-----Butter----------			-----Cheese---------		
	1984	1985 1/	1984 2/	1984	1985 1/	1986 2/
United States	500	566	570	2,120	2,279	2,400
Canada	108	95	90	193	208	213
EC-10	2,099	1,996	2,012	3,759	3,836	3,882
Eastern Europe	879	856	833	768	765	775
USSR	1,588	1,595	1,625	780	785	800
Japan	78	89	85	19	20	20
Australia 3/	111	114	107	161	160	164
New Zealand 4/	287	295	299	110	115	126
Total 5/	6,759	6,718	6,740	9,218	9,500	9,740

	-----Nonfat Dry Milk----------		
	1984	1985 1/	1986 2/
United States	526	631	745
Canada	120	108	100
EC-10	2,118	1,917	1,841
Eastern Europe	223	198	188
USSR	457	459	468
Japan	155	181	172
Australia 3/	123	148	135
New Zealand 4/	248	242	230
Total 5/	4,332	4,235	4,208

1/Preliminary. 2/Forecast. 3/Year ending June 30. 4/Year ending May 31. 5/Total of 35 countries for butter, 34 countries for cheese, and 30 countries for nonfat dry milk.

World cheese output reached 9.5 million tons in 1985, an increase of 3 percent. A further 2-percent increase is expected in 1986. The increased U.S. output accounts for about half the global increase in both years. Production in Canada was up 8 percent in 1985 as milk was diverted from butter manufacture. Canada is forecast to increase cheese production again in 1986. In New Zealand, larger supplies of milk allowed increased production of both butter and cheese in 1985. A similar pattern is expected in 1986.

World production of nonfat dry milk (NDM) declined 2 percent in 1985 due mainly to a decline in the EC-10. World and EC-10 production is forecast to decline again in 1986. Part of the reason behind the EC-10 production decline is reduced demand for NDM in animal feed. Reduced butter production should bring a reduction in NDM output in Australia in 1986.

Casein production in 1985 totaled 234,000 tons, about 4 percent above 1984. Production in the EC-10 increased as processors took advantage of the ability to switch between products in order to increase their profit potential. Australian production was down sharply in 1985 as output of NDM increased. In 1986, New Zealand's production of casein is forecast to increase as export prospects appear relatively more favorable for casein than for other products. Lower milk output is expected to cause 1986 casein output in Poland to decline.

TOBACCO

Larger Korean Tobacco Crop Forecast for 1986. According to the U.S. agricultural counselor in Seoul, Korea's 1986 total unmanufactured tobacco crop is forecast at 80,000 tons, 6 percent greater than the revised 1985 crop of 75,679 tons. Favorable weather in January and February allowed the timely establishment of tobacco seedbeds. The transplanting of seedlings began on time in March and is nearly complete despite dry soil conditions in producing areas.

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Poor Quality Tobacco Leaf Continues To Plague Chinese Tobacco Industry. According to the U.S. agricultural counselor in Beijing, the 1986 total unmanufactured tobacco crop in China is forecast at 2,146,200 tons, 8 percent less than the revised 1985 record crop of 2,324,600 tons. The decline in production is largely attributed to a 6-percent reduction in area. Although some progress was made in 1985 to upgrade leaf quality, the production of poor quality leaf continues to be the major problem confronting the Chinese tobacco industry. The government has introduced a more specific but simplified grading system which encourages the production of high-quality leaf.

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Philippine Tobacco Farmers Shift From Tobacco to More Profitable Crops. According to the U.S. agricultural counselor in Manila, the 1986 total unmanufactured tobacco crop in the Philippines is forecast at 73,315 tons, 3 percent below the revised 1985 crop of 75,871 tons. The lower crop estimate is anticipated at a result of a 7-percent decline in area. Farmers continue to shift from tobacco to more profitable crops such as cotton, garlic and vegetables. More recently, farmers have shifted from tobacco to corn production. The sharp decline in tobacco area in recent years also has been the result of inadequate financial and technical assistance.

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Mexico's Tobacco Crop Expected To Be Up Sharply. According to the U.S. agricultural counselor in Mexico City, the 1986 total unmanufactured tobacco crop in Mexico is forecast at 75,810 tons, 41 percent above the revised 1985 crop of 53,820 tons. The expected sharp increase in production is anticipated as a result of a 40-percent area increase, favorable weather and better control of blue mold fungus. Producing states, in order of importance, include Nayarit, Veracruz, Chiapas and Oaxaca.

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Drought Cuts Brazil's 1986 Tobacco Crop. According to the U.S. agricultural officer in Sao Paulo, Brazil's 1986 total unmanufactured tobacco crop is forecast at 345,000 tons, 8 percent below the revised 1985 crop of 375,000 tons. The 1986 non-irrigated tobacco crop was planted under favorable conditions last June and July. No problems were experienced with transplanting in August and September. However, drought conditions in late September and early October persisted until mid-February, cutting both quality and quantity.

TEA

World Tea Production Shows Increase. World tea production in 1985 of 2.266 million tons was up 4 percent from 1984 and 1 percent more than last December's estimate.

India, the world's largest tea producer, harvested a record 657,290 tons in 1985, 12,000 tons more than in 1984. Increased outturn of 20,468 tons in North India due to more favorable weather and increased application of fertilizer and pesticides more than offset an 8,300-ton decline in South India. In China, total tea production in 1985 was 440,000 tons, 6 percent more than the amount picked in 1984, and 13 percent higher than previously forecast. In Sri Lanka, the 1985 outturn of 214,094 tons, although a bumper crop, is still below the record of 228,700 tons produced 20 years ago.

For Kenya in 1985, a combination of favorable growing conditions and new plantings coming into production, together with young bushes increasing in productivity, resulted in a record harvest of 147,100 tons. Preliminary data indicate Kenya's tea exports in 1985 were a record 129,688 tons, 42 percent above a year earlier.

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EXPORT ENHANCEMENT INITIATIVE

The status of USDA's Export Enhancement Program as of May 15, 1986, was as follows in metric tons:

ANNOUNCED INITIATIVES		DATE ANNOUNCED	QUANTITY/RESULTS	
31.	Saudi Arabia Barley	May 7, '86	500,000	
30.	Algeria Barley	Apr 17, '86	500,000	
29.	Morocco Dairy Cattle	Apr 16, '86	4,000 head	
28.	Turkey Dairy Cattle	Apr 16, '86	5,000 head	
27.	Egypt Dairy Cattle	Apr 16, '86	6,000 head	
26.	Yemen Poultry Feed	Apr 14, '86	150,000	
25.	Yugoslavia Wheat	Apr 10, '86	200,000	Sold 20,000
24.	Indonesia Dairy Cattle	Apr 9, '86	7,500 head	
23.	Syria Wheat	Apr 8, '86	700,000	
22.	Benin Wheat	Apr 7, '86	45,000	
21.	Algeria Table Eggs	Apr 4, '86	500 million	
20.	Iraq Dairy Cattle	Apr 4, '86	6,500 head	
19.	Jordan Wheat	Mar 19, '86	75,000	COMPLETE
18.	Tunisia Wheat	Mar 18, '86	300,000	Sold 50,000
17.	Algeria Wheat Flour	Feb 25, '86	100,000	
16.	Algeria Semolina	Feb 11, '86	250,000	
15.	Philippines Wheat	Jan 7, '86	150,000	COMPLETE
14.	Zaire Wheat	Dec 27, '85	40,000	Sold 20,000
13.	Nigeria Barley Malt	Dec 10, '85	100,000	
12.	Iraq Wheat Flour	Dec 9, '85	150,000	Sold 75,000
11.	Egypt Poultry	Nov 26, '85	8,000	COMPLETE
		Mar 21, '86	15,000	COMPLETE
10.	Zaire Wheat Flour	Nov 18, '85	64,000	Sold 45,000
9.	Philippines Wheat Flour	Nov 15, '85	100,000	Sold 50,000
8.	Jordan Rice	Nov 8, '85	40,000	Sold 22,700
7.	Turkey Wheat	Oct 16, '85	500,000	COMPLETE(506,600)
		May 8, '86	500,00	
6.	Morocco Wheat	Sept 30, '85	1,500,000	Sold 890,000
5.	Yemen Wheat	Sept 6, '85	100,000	Sold 50,000
4.	Yemen Wheat Flour	Aug 20, '85	50,000	Sold 31,500
		Apr 14, '86	100,000	
3.	Egypt Wheat	Jul 26, '85	500,000	COMPLETE
		Oct 30, '85	500,000	Sold 197,500
2.	Egypt Wheat Flour	Jul 2, '85	600,000	Sold 175,000
1.	Algeria Wheat	Jun 4, '85	1,000,000	COMPLETE
		Apr 10, '86	1,000,000	

Announced to date	10,430,000 (grain equivalent) 500 million table eggs 23,000 tons frozen poultry 29,000 head dairy cattle
Sold to Date	3,431,500 wheat 517,300 flour, grain equivalent 23,000 frozen poultry 22,700 rice
Bonus	$183.3 million at book value (1,287,300 tons)

*U.S. GOVERNMENT PRINTING OFFICE: 1986-490-916:40337/FAS

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Selected International Prices

Item	May 20, 1986		Change from a week ago	A year ago
ROTTERDAM PRICES 1/	$ per MT	$ per bu.	$ per MT	$ per MT
Wheat:				
Canadian No. 1 CWRS-13.5%.	N.Q.	--	--	184.50
U.S. No. 2 DNS/NS: 14%....	163.00	4.44	-4.50	167.00
U.S. No. 2 S.R.W. 10/	121.00	3.29	-6.00	141.00
U.S. No. 3 H.A.D.....	170.00	4.63	-2.00	178.00
Canadian No. 1 A: Durum...	N.Q.	--	--	187.00
Feed grains:				
U.S. No. 3 Yellow Corn....	119.00	3.02	+4.00	131.50
Soybeans and meal:				
U.S. No. 2 Yellow.....	214.00	5.82	-.80	231.50
Brazil 47/48% SoyaPellets	189.00	--	-5.00	142.50
U.S. 44% Soybean Meal....	183.00	--	-4.00	143.50
U.S. FARM PRICES 3/				
Wheat.....	118.67	3.23	-4.04	121.98
Barley.....	59.71	1.30	--	83.59
Corn.....	94.09	2.39	+1.18	103.15
Sorghum.....	90.39	4.10	+1.10	97.44
Broilers.....	1225.76	--	+88.62	1170.86
EC IMPORT LEVIES				
Wheat 5/.....	174.80	4.76	-.35	73.40
Barley.....	161.25	3.51	-4.80	67.35
Corn.....	152.10	3.86	-1.50	60.05
Sorghum.....	159.70	4.06	-1.25	72.10
Broilers 4/ 6/ 8/.....	N.Q.	--	N.Q.	N.Q.
EC INTERVENTION PRICES 7/ 9/				
Common wheat(feed quality)	196.70	5.35	-3.05	149.65
Bread wheat (min. quality)	208.90	5.68	-3.25	158.95
Barley and all other feed grains.....	196.70	--	-3.05	149.65
Broilers 4/ 6/.....	N.Q.	--	N.Q.	N.Q.
EC EXPORT RESTITUTIONS (subsidies)				
Wheat	96.20	2.62	--	N.A.
Barley.....	128.60	2.80	+.75	N.A.
Broilers 4/ 6/ 8/.....	N.Q.	--	N.Q.	N.Q.

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ July. N.A.=None authorized. N.Q.=Not quoted. Note: Basis June delivery.